

Dustin Hoffman
London Theatre
to what they called a
bid to save the theatre
after where Hoffman
made his London debut
in 1992. Hoffman's
actors and directors
project on the site of
the site of the theatre
an ancient monument
preservation. They
out this, the recently
main will be the
Monday. The develop-
pledged that the re-
"wrapped as a car-
tain doll." The sec-
said. "I have decided
an announcement."

More than 30 de-
Charles Chaplin ap-
to launch the 50th an-
Geraldine Chaplin
between two and 40
the first festival paid
The first competition
festivals. "Trop Be-
"Too Beautiful for You,"
the French film about
Bitter, and starring
dieu, was revealed name.

In Oviedo Spain, Ove-
er, of Brazil, lea-
architect to win the
Prize for the an-
named after the title of
the Spanish throne, was
in 1981 and is awarded
The award is to be pre-
October.

Steve Friedman, who
"USA Today: The
Show," has resigned as
CTG East, which pro-
Phyllis, GTO East, pro-
ture of Grant Tinker ad-
nett Co. modeled it on the
Today newspaper. It has
large audiences of good
viewers.

The third annual Man-
Anders, were present
"Sardines" and in And-
the program in the Metro-
city's young artists program.

Hope of Change Dims in Japan

Eventual Leader Is Expected to Protect Political Factions

By Patrick L. Smith
International Herald Tribune

TOKYO — The prospects for political revision in this effectively leaderless nation have all but evaporated with the Liberal Democratic Party's failure over the weekend to draft Masayoshi Ito as the successor to Prime Minister Noboru Takeshita.

Having rejected Mr. Ito's demands for sweeping changes in the Japanese political system, senior officials in the governing party must now begin selecting from half a dozen other candidates. Each of these politicians could be expected to institute cosmetic changes but none would be likely to threaten entrenched political interests.

As they have in many other instances, from land and tax revision to agricultural and trade policies, Japanese officials appear to be seeking the appearance of change in the nation's political life while stopping short of altering the fundamental realities of it.

At issue in coming months will be whether this is sufficient internationally and at home. In effect, Mr. Ito asked whether the Recruit stock-trading scandal was merely another in the long line of embarrassing political episodes that have punctuated Japan's postwar history, or whether it marked a turning point in the nation's evolution into a responsible world power.

In a final round of negotiations Saturday, Liberal Democratic leaders refused to accept the conditions

Mr. Ito set for his acceptance of the prime minister's position. These included the resignation of all those implicated in the Recruit affair, which forced Mr. Takeshita to declare two weeks ago his intention to step down from party posts and from the national legislature.

More important, the 75-year-old candidate insisted that the system of factions within the governing party be dismantled. The factions are viewed widely as the root cause of the cycle of "money politics" in Japan; but they are also essential to the accumulation of political power by those heading them.

"The real issue is how serious senior leaders of the Liberal Democrats are about reform," said Set-suki Eda, head of the small United Social Democratic Party. "And the answer is not satisfactory."

According to a constitutional deadline, the Liberal Democrats must find a successor to Mr. Takeshita before May 26, the 40th day

after the prime minister announced his intention to resign. They would otherwise be forced to dissolve the lower house of the legislature and call elections.

Nationwide municipal elections are already scheduled to be held July 2, and voting for the upper house of the Diet, Japan's parliament, can be delayed only until August. The Liberal Democrats are expected to lose heavily in both contests.

In this context, the governing party recognizes the need to project itself as an institution capable of a fundamental overhaul. A newspaper poll issued last week indicated that only a quarter of the electorate would support the governing party in lower-house voting.

Some Liberal Democrats believe that dissolving the lower house now would be the best way to begin the process of political revision. Over the weekend, however, senior party officials said they expected to choose a new leader, thus precluding elections, within the next week.

Party sources said Sunday, however, that the selection of a successor to Mr. Takeshita could prove a long and difficult process. There appears to be little agreement in the

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In Tiananmen Square on Sunday, a student hunger striker prominently displayed slogans underscoring demands for wider democracy.

Baker and Eagleburger Discount Kremlin's Threat on SS-23 Missiles

By Jay Ross
International Herald Tribune

WASHINGTON — Senior U.S. officials on Sunday brushed off a Soviet threat to develop new short-range missiles or to halt the promised destruction of some intermediate-range ones if the United States upgraded its missiles in Western Europe.

Secretary of State James A. Baker 3d and his deputy, Lawrence S. Eagleburger, also downgraded in separate television interviews concerns voiced in the United States and Europe that the Bush administration was losing the public relations edge on disarmament to the Soviet leader, Mikhail S. Gorbachev.

Mr. Eagleburger described as "a little bit unimpressive" Foreign Minister Eduard A. Shevardnadze's threat Saturday to stop dismantling its SS-23 missiles, as called for in the INF Treaty of 1987, or to develop a new short-range missile if the United States

modernized Lance missiles based in West Germany.

Mr. Eagleburger said the Soviet Union had "spent the last 10 years modernizing its short-range nuclear forces." He said the Soviets had such an advantage over the West in

"very very modest little step" that the administration had expected before he went to Moscow for talks last week with Mr. Gorbachev and Mr. Shevardnadze.

Asked whether he was concerned that Mr. Gorbachev was eclipsing the United States with disarmament proposals that dominate headlines, Mr. Baker said it would be "a mistake for the United States to react to each and every one of these so-called compromise proposals."

The important thing, he said, "was not who wins a public relations victory but whether or not we make sure we keep the alliance strong."

Genscher Under Fire
Robert J. McCrorty of *The Washington Post* reported Sunday from Bonn:

Conservatives in Chancellor Helmut Kohl's coalition stepped up criticism of Foreign Minister Hans-Dietrich Genscher's handling of the missile issue.

See MISSILE, Page 5

Beijing Strikers Set to Greet Gorbachev

By Sheryl WuDunn
New York Times Service

BEIJING — Tens of thousands of university students occupied the central square in the capital Sunday night, the eve of a Chinese-Soviet summit meeting, saying they would stay there and hold their own greeting for the Soviet leader, Mikhail S. Gorbachev.

"Welcome, Mr. Gorbachev, the True Reformer," read a banner held aloft, rebuking the Chinese leadership.

The occupation of Tiananmen Square had begun Saturday, when students started a hunger strike to underscore their demands for wider democracy and a meaningful dialogue with the nation's leaders.

On Sunday, about 2,200 hunger strikers sat huddled in the center of the square with more than 25,000 students from other universities ranged around them. By late evening, thousands more crowded into the square to watch or actively to support the students' demands.

Negotiations were still under way between government officials and student leaders to reach a compromise so that the students would return to their campuses, but most students appeared intent on remaining.

On Saturday, the Communist Party chairman, Zhao Ziyang, warned the demonstrators not to disrupt the first Chinese-Soviet summit meeting in 30 years.

"It is unreasonable for students or other citizens to obstruct international talks or the summit," said Mr. Zhao during a meeting with workers in the great hall.

All day Sunday, spectators descended on Tiananmen Square while groups of students marched in from various directions; by late evening the crowd numbered about 80,000. In the first sign of organization, the students

See CHINA, Page 5

Klosk

Argentines Go To the Polls

BUENOS AIRES (AP) — Argentines voted peacefully Sunday to replace one civilian government with another in the first free and open balloting in 61 years.

Carlos Saul Menem, the Peronist candidate of the Justicial Party, was favored to win and take control of the presidency from the governing Radical Civic Union. Vote results or projections were not immediately available.

Turnout in the three biggest provinces, which compose about half the total electorate of 20 million, was about 70 percent, officials said.

Opposition Calls Strike To Pressure Noriega

By Lindsey Gruson
New York Times Service

PANAMA CITY — The opposition to General Manuel Antonio Noriega, struggling to devise new tactics in the face of repression by the government, has called for a general strike starting Wednesday.

"We're not going to ask our people to confront these monsters," said Guillermo Ford, the opposition candidate for second vice president, after meeting with the two other members of the three-man slate. "We're not going to take them to the butcher shop."

His spoke Saturday before President George Bush called on the people and the military of Panama to overthrow General Noriega, the country's de facto leader.

"They should do everything they can to get Mr. Noriega out of office," Mr. Bush said.

The general strike was scheduled to coincide with the opening of a meeting in Washington of the Organization of American States. That body is to consider the Noriega government's decision to annul the May 7 elections, which independent observers say the opposition won by a 3-to-1 margin.

International outcry against the Noriega regime increased after Mr. Ford and his presidential running mate, Guillermo Endara, were beaten Wednesday by members of security and paramilitary forces close to the government.

Mr. Endara remained hospitalized Sunday, recovering from his injuries.

On Sunday, a statement by the

Panamanian Roman Catholic hierarchy, condemning the regime and calling on soldiers to disobey illegal orders, was read in all the country's Catholic churches. It also urged the government to "respect the will of the people freely expressed at the polls in the name of God, dignity of the people and the national conscience."

The letter, which urged the National Defense Forces not to use arms against "a defenseless people," also was read during a broadcast service on state-run television.

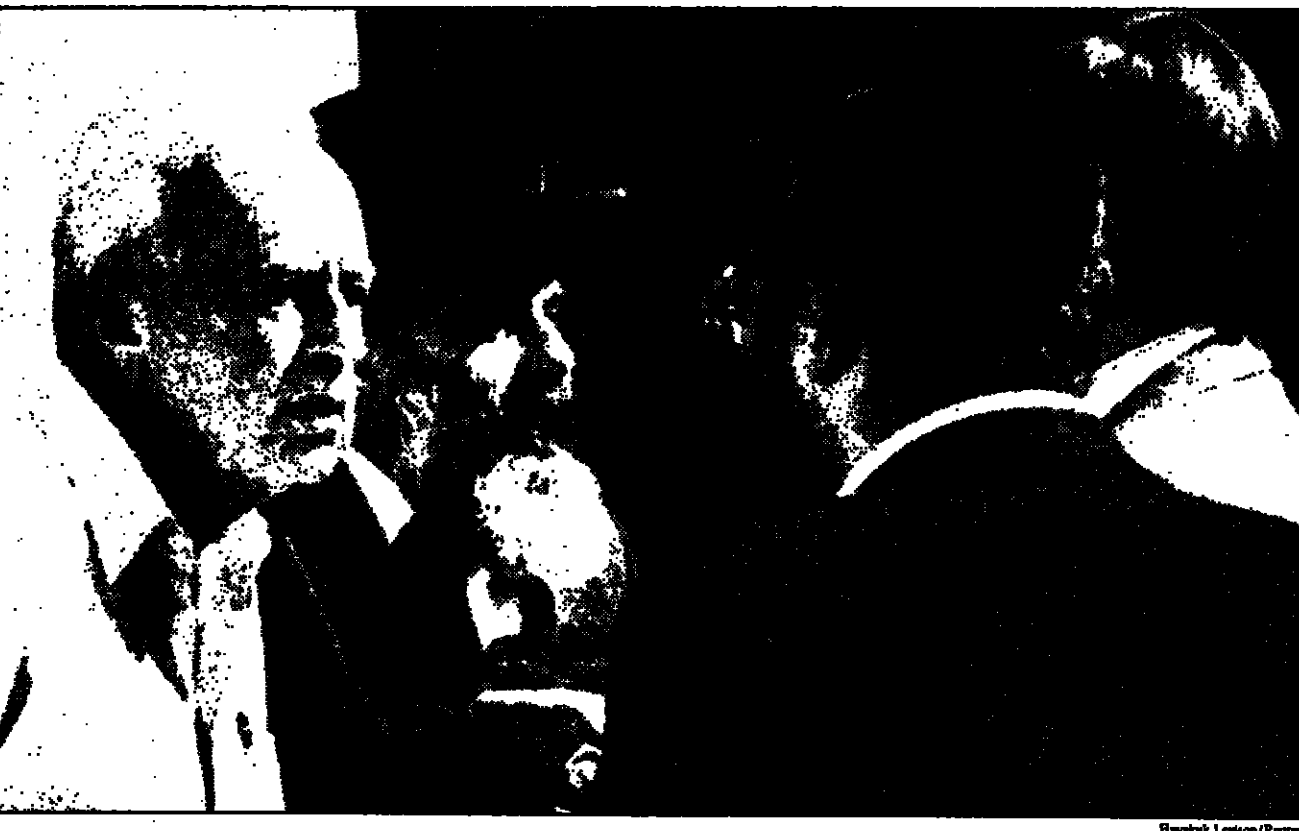
The statement has given renewed legitimacy to the opposition's assertion that it represents a broad cross-section of the 2.2 million Panamanians. The regime had tried to portray the opposition as oligarchs seeking to recoup their pre-eminent position, which was usurped by the military in a coup a decade ago.

[Secretary of State James A. Baker 3d said Sunday that it would be a mistake for the United States to try to abrogate the Panama Canal Treaties despite the crisis in Panama. The Associated Press reported from Washington.]

[Speaking on the CBS interview program "Face the Nation," Mr. Baker said, "What you do when you start talking about that is turn this into a United States versus Panama — and in effect versus some of the rest of Latin America — contest. That would be a mistake. I think it would be counterproductive."]

[Under the canal treaties, which By Israeli standards, the 20-to-6 vote of approval was overwhelming. Peace proposals typically set

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Defense Minister Yitzhak Rabin, left, meeting with cabinet members after they voted in favor of elections in the occupied territories.

Israel Approves Plan for Palestinian Elections

By Joel Brinkley
New York Times Service

JERUSALEM — Prime Minister Yitzhak Shamir gave formal cabinet approval Sunday, by a large majority, for his plan to hold Palestinian elections, but only by choosing to avoid the most difficult questions about how the elections will be carried out.

By Israeli standards, the 20-to-6 vote of approval was overwhelming. Peace proposals typically set

off violent disagreement and partisan bickering, but this time most ministers from both Labor and Likud, including the party leaders, voted in favor. As a result, Mr. Shamir's peace plan officially became the government's proposal.

Defense Minister Yitzhak Rabin of the Labor Party said: "After many years of different stages in the national unity government, there is a unity government peace initiative that I believe will be received widely and with great support by the Israeli people."

Two ministers on the left, including the science minister, Ezer Weizman, voted against the proposal, saying Israel should instead open direct negotiations with the Palestine Liberation Organization.

And four ministers on the right, including Ariel Sharon, the industry and trade minister, also voted against the plan, saying it would inevitably lead to establishment of a Palestinian state.

But a Likud minister without portfolio, Yitzhak Mordechai, who also voted against, said he would go along with the plan anyway. "The most important things now are the interests of the people of Israel, and not my opposition," he said.

Under the plan, the 1.7 million Palestinians of the West Bank and Gaza Strip would elect 10 representatives for peace talks with Israel. These would first negotiate a five-year interim agreement.

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Glinter Eser of the International Air Transport Association says ongoing airline delays in Europe. Page 2.

General News

Andre Sakharov said the Soviet Union was heading for an economic catastrophe. Page 2.

The confirmation of the nominee for U.S. ambassador to South Korea is snarled over the Iran-contra affair. Page 5.

Business/Finance

Cray Research, the U.S. supercomputer maker, is studying a possible restructuring. Page 7.

Major U.S. companies foresee a slowdown in economic growth. Page 7.

Weather Page 2.

Crossword Page 5.

Banking on Frankfurt: The Rothschilds Return to Their Hometown

By Richard E. Smith
International Herald Tribune

FRANKFURT — The Rothschilds, the family that emerged from Frankfurt's Jewish ghetto 200 years ago to become virtually synonymous with international banking, are returning home after an absence of nearly a century.

A spokesman for the family, which has branches in London, Paris and Geneva, confirmed Friday that N.M. Rothschild & Sons, the British investment arm, and Bank Rothschild AG, the Swiss branch, plan to set up a representative banking office as early as this summer in Frankfurt.

"Frankfurt is the last major international banking center where the family is not represented," said Reto Lyk, senior vice president of Rothschild Bank AG in Zurich. "It is high time to be present there."

The Rothschilds, whose emergence from the ghetto in the late 18th century led them to nobility and power throughout Europe and beyond, closed their Frankfurt bank in 1901 and folded the unit into their Vienna operation.

Even though the new entity is to be less than a full-fledged bank, the move to establish it would nevertheless be a milestone for one of the world's most important banking centers, where the hometown Rothschilds became more and more conspicuous by their absence with each passing decade.

The Rothschilds, unlike other Jewish banking families in Germany such as the Warburgs, did not have to flee Hitler. The male line of the German branch of the Rothschilds died out around the turn of the century, and the bank in Frankfurt closed its doors in 1901.

But the Third Reich did not leave the family unscathed. The Vienna branch was pressured to sell its banking operations, and one of its leading members, Baron Louis de Rothschild, was held hostage for a year after the German occupation of Austria. He was released through a combination of ransom and international financial pressure.

And a member of the French branch of the family, Robert Rothschild, was exterminated in the Auschwitz concentration camp in 1944 after repeatedly refusing to assign rights to his company, Austro SA, a tractor manufacturer, to the Krupp industrial concern.

Asked whether the family was reluctant to return to Germany, the spokesman for the group in London said, "This is purely a business decision, and the timing is totally based on looking at Europe on a wider basis."

A Frankfurt merchant banker, Richard Daus, a former tank battalion captain in the Wehrmacht, the wartime German army, acted as a key intermediary in encouraging the Rothschilds to return to Frankfurt. He said he did not sense any ambivalence about Germany in the course of the negotiations.

"My impression is that an anti-German feeling did not exist at all," Mr. Daus said. "After all, the managing generation is young and therefore considers the past a part of history."

Mr. Daus, who had also played a role in bringing the Warburgs back to Germany in 1964 and was long a general partner in their Frankfurt bank, said a Rothschild family member had told him the time was "viable and right" for a return.

The Zurich bank is expected to play an important role in rebuilding the Rothschild presence in Germany. "Zurich is the logical place," said Mr. Daus. "All branches of the family are represented there," he said.

Mr. Daus arranged for a meeting a year ago between Baron Edmond de Rothschild of the family's Geneva branch and the mayor of Frankfurt. The city has since shown considerable enthusiasm.

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Summit To Begin In China

Soviets Hold Hope For Progress on Regional Feuds

By Jim Hoagland
Washington Post Service

BEIJING — Mikhail S. Gorbachev, the Soviet leader, is due Monday to end 30 years of formal and often bitter estrangement between the rulers of the world's two largest Communist nations by embarking on a historic flight to Beijing for the first Chinese-Soviet summit meeting since 1959.

Mr. Gorbachev's expected mid-day arrival will inaugurate a four-day visit to Beijing and Shanghai that will be strong in political symbolism and, according to Soviet officials, holds promise of producing some diplomatic progress on regional conflicts as well.

The Chinese have sought to dampen such expectations and to reassure the United States that the resumption of leadership meetings at state and party levels with the Soviets will not harm the strategic relationship that Beijing and Washington have developed since 1972.

However, grudging, the welcome extended by the aging Chinese leader, Deng Xiaoping, will underscore anew the dynamism in Soviet diplomacy established under Mr. Gorbachev at a time when U.S. foreign policy is being questioned by many at home and abroad for lacking initiative. Western and Asian diplomats noted.

In talks with Mr. Deng and other Chinese leaders Tuesday, Mr. Gorbachev will seek diplomatic movement to help end the wars in Afghanistan and Cambodia, where Moscow and Beijing are on opposing sides, Soviet officials indicate.

The summit meeting is the most tangible success that Mr. Gorbachev has yet achieved in his declared goal of gaining a more active Soviet role in Asia and in the Pacific. By returning to normal relations with China, Mr. Gorbachev is seeking to neutralize in part the strategic advantage that Japan and the United States have drawn from the Chinese-Soviet split.

The Soviet party leader, who left Moscow on Sunday and stopped overnight in the Siberian city of Irkutsk, will also be received Tuesday by the general secretary of the Chinese Communist Party, Zhao Ziyang. Their meeting will reestablish party ties broken after the hostile exchanges of the early 1960s between Nikita S. Khrushchev and Mao Zedong over the role of communism in world revolution and other ideological disputes.

Soviet officials have indicated that they view the resumption of party ties as being as important as the diplomatic rapprochement.

"We have a great deal to say to each other as Communist parties, even in practical terms," Yevgeni M. Primakov, an influential Soviet foreign policy adviser, said in an interview Sunday.

"This normalization comes at a time when we were both studying how socialist countries should approach capitalism. Before, we both thought that socialism could be spread only by revolution. Today we both stress evolution."

Mr. Primakov acknowledged that China was minimizing the importance of the meeting between Mr. Gorbachev and Mr. Zhao as being only one step toward "full normalization" of party relations. But he noted that the Chinese had long blocked any visits by Soviet party delegations because normal relations did not exist.

Speaking in relatively optimistic tones about the contribution that the Chinese-Soviet meeting can make to resolving regional conflicts, Mr. Primakov said that Afghanistan had ceased to be a problem between Moscow and Beijing.

Pledge on Military Budget

At the stopover in Irkutsk, Mr. Gorbachev said that the Soviet Union would publish its military budget, United Press International reported. "We are completing our analysis of how much the military eats up and will make it public," he said. U.S. officials have challenged Moscow to publish the Soviet military budget.

Airline Delays in Europe: Another Long Summer at Hand

Long delays were reported at many West European airports during recent holiday weekends. Günter Eser, director general of the International Air Transport Association, which represents the airlines, discussed the congestion problem with Barry James of the *International Herald Tribune*.

Q. Are you predicting another long, hot summer of air traffic congestion and airport delays?

A. Yes. We will be walking a knife edge between muddling through and a meltdown of the system in Western Europe.

Q. Why is this so?

A. The existing infrastructure simply cannot cope anymore.

Q. But didn't European transport ministers approve measures to prevent a repetition of last year's delays and congestion?

A. Yes. A major improvement was to set up five regional coordination centers in London, Paris, Frankfurt, Rome and Madrid, linked by a hotline. This will help smooth traffic flows considerably,

and we appreciate what governments have done. But they have to do more.

Q. What is it they have to do?

A. What we basically need are more runways and more airports.

Q. But it takes at least 15 or 20 years to build an airport, and there is only one

MONDAY Q&A

being built now, the one at Munich. That's not an immediate solution?

A. No, it is not. But we have 35 congested airports in Western Europe of which seven — London Heathrow and Gatwick, Düsseldorf, Frankfurt, Munich, Rome and Milan — require priority treatment. The problem is twofold. On the one hand, we need short-term measures to ease the congestion. On the other, we need long-term measures, and that means more airports and more runways.

Q. What do you mean by short-term measures?

A. We have a task force on congestion which has come up with a whole list of things which can be done immediately.

To give just one example, you can speed up the traffic flow by making more exits off runways.

Q. Building more airports is going to be opposed by environmentalists, taxpayers, people who live near them.

A. Those are real problems. I agree with you.

Q. And who should pay for them?

A. Well I compare an airport with a highway. The government builds it, and in some countries, the user pays for it.

Q. But it is not just an infrastructure problem. There's a human problem, too?

A. That's right. We were recently faced with a bad situation in the Federal Republic of Germany, where a number of air traffic controllers went on vacation just before Easter. They had vacation left over from last year, and they had to take it because the government would not pay them overtime. When you have a situation like that in which not only the traveling public, but also the pilots, have to suffer so much, then something ought to be done about it.

Q. Strikes are another major cause of delays. In such an interdependent industry, a small group of workers can threaten flights over a wide area. There doesn't seem much you can do about that?

A. No, that's a fact. The industrial relations problem is of real concern to us.

Q. Apart from frayed tempers, what are the likely long-term effects of traffic congestion in Europe?

A. It could threaten the whole of European airline liberalization. We talk about a single European market in 1992, but congestion is a real threat to it.

Q. The current shortage of pilots is another major problem for the airlines?

A. Yes. By the year 2005 there will be 7,000 new aircraft deliveries, so I agree that there will certainly be an increasing shortage of pilots.

Q. But couldn't the airlines have realized that traffic was building up and taken steps earlier to recruit and train pilots?

A. No. Five or six years ago, the present increase in traffic was not being forecast.

Our organization now has 184 members from 116 countries, 53 of them from Europe. Of these, 25 or so are smaller regional carriers and a lot of them have been started in the past two or three years. So liberalization is certainly having an effect. What we are telling politicians is, "Watch it with your further steps in liberalization. There is a limit to capacity."

Q. Of course, tougher security is contributing to congestion.

A. It is, yes, but security is very high on our list of priorities.

Q. Are you satisfied that enough is being done to ensure security?

A. No. We think our security standards are basically O.K., but they are not being implemented at all airports as they should be.

Q. Are these problems mainly on the air side, or the passenger side?

A. It's more on the air side. Just take the tarmac. About 50,000 people are licensed to go out there with ID cards at the London airports, and in Frankfurt there are about 30,000.

Ligachev Probe Meets Resistance in Kremlin

By David Remnick
Washington Post Service

MOSCOW — The Kremlin has moved to suppress a criminal investigation by two special prosecutors into the activities of the Politburo's leading conservative, Yegor K. Ligachev, and at least three prominent former officials.

In a short announcement published in the Communist Party newspaper, *Pravda*, the party denounced "provocative statements" against "several political leaders of the country" that the prosecutors, Telnan Gdlyan and Nikolai Ivanov, had made on radio and television.

Mr. Gdlyan is a deputy in the new Soviet legislature who won wide popularity through his investigation of corruption in Soviet Uzbekistan. His critics say his investigative work has been crafted to advance his political career.

On a Leningrad television program Friday, Mr. Ivanov, a candidate for the legislature, said he and Mr. Gdlyan were investigating Mr. Ligachev, the former chief judge of the Supreme Court, Vladimir I. Terebilov, and two former Politburo members, Grigori V. Romanov and Mikhail S. Solomentsev.

Mr. Ligachev, formerly the chief party ideologist and the nominal number two man in the Politburo behind Mikhail S. Gorbachev, was effectively demoted by the Soviet leader last year when he was put in charge of agriculture. But he remains one of the country's most powerful figures.

An open battle between prosecutors and a politician of Mr. Ligachev's stature would be unprecedented in modern Soviet politics.

In his television appearance, Mr. Ivanov said he was not declaring anyone guilty, nor did he give details of his investigation. He could not be reached for comment.

Mr. Terebilov left his judicial post last month. Mr. Romanov, the former Leningrad party chief, was removed from all his senior posts in July 1985, four months after Mr. Gorbachev took office. Mr. Solomentsev was forced into retirement late last year.

In its announcement Saturday, *Pravda* said that the President of the Supreme Soviet, the highest state body, had set up a special commission to look into the methods of Mr. Gdlyan and Mr. Ivanov. It asserted that the two prosecutors were "trying to confuse people."

Mr. Gdlyan first won renown as chief of an investigation into cor-

ruption in Soviet Central Asia. The probe led to the conviction of Yuri M. Churbanov, a former deputy interior minister and the son-in-law of the Leonid I. Brezhnev.

The Churbanov case came to be viewed in the Soviet Union as an indictment of corruption during Mr. Brezhnev's 18-year rule. Articles published in liberal journals described how Mr. Gdlyan ignored government pressure and death threats from members of the criminal underworld in Central Asia to complete his investigation.

In his campaign for the new legislature, Mr. Gdlyan repeatedly said that attention should now shift from the Central Asian criminal clans to corruption in Moscow, implying that there should be investigations of government leaders.

In a meeting earlier this month between Mr. Gorbachev and Moscow-based members of the legislature, Mr. Gdlyan made a 47-minute speech charging that corruption was rife at the top levels of the Communist Party. He said he intended to pursue various cases.

Although the proceedings of the meeting were not published, sources who were present said that when Mr. Gdlyan had finished, Mr. Gorbachev said to him: "Will you sleep well tonight? If you are right, that is one thing. If you're lied, then this will not turn out to have been the happiest day of your life."

Mr. Gdlyan subsequently said at a press conference that members of the Central Committee were "interfering" in his work.



Mr. Sakharov, right, being applauded by Bettino Craxi, the leader of the Italian Socialist Party, after his speech in Milan on Sunday.

Sakharov Warns of an 'Economic Catastrophe'

United Press International
MILAN — Andrei D. Sakharov, the Soviet human rights activist, said Sunday that the Kremlin drive for renewal was losing speed and warned that his country was "heading for an economic catastrophe."

Speaking at an Italian Socialist Party gathering in Milan, Mr. Sakharov said greater democracy was "indispensable" if the Soviet Union was to deal with its ills.

"We are all aware of the grave economic situation, which can only worsen," he said.

"The old centralized system is being dismantled," he said. "The trouble is, it hasn't been replaced by anything new. We may say the country is heading for an economic catastrophe."

Mr. Sakharov cited a budget deficit exceeding 100 billion rubles (\$160 at the official exchange rate) and said that economic changes were moving "ever slower." He said

people had lost interest in work for lack of goods to buy.

But he saw a glimmer of hope in the new Soviet legislature, the Congress of People's Deputies. Mr. Sakharov, who was elected to the body, said that it would have to become "the most important organ of power" in the Soviet Union.

"The congress must initiate the transformations that are indispensable to our country, particularly in

the economic field and that of the nationalities," he said.

Mr. Sakharov also condemned what he described as heavy-handed repression of Armenian and Georgian nationalist protests.

The Nobel Peace Prize laureate, who recently went to Georgia on a fact-finding mission, said that 2,067 people had been hospitalized for poisoning due to the "massive" use of toxic gases against crowds during protests last month.

He said that the government should extend what he described as heavy-handed repression of Armenian and Georgian nationalist protests.

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In Jalalabad, Besieged Afghans Clamber to Escape

By John F. Burns
New York Times Service

JALALABAD, Afghanistan — When the helicopters land, the men with the bundles of possessions and the women in the head-to-toe shrouds rush forward, elbowing and shoving in a desperate effort to board before the machines soar back into the air.

As anxieties mount about a rumored new guerrilla offensive against Jalalabad, some of the civilians who have remained through a 10-week siege by Moslem insurgents wait for hours each day in the hope of forcing their way aboard one of the military helicopters that have become the only regular means of evacuation. Some of the

women bring infants in their arms. Mostly, they wait in vain.

When a group of reporters landed in a grainfield on the city's outskirts on the first visit by Westerners since the siege began, a group of would-be evacuees ran across the field before the helicopter touched down. As the reporters clambered from the machine, they had to push their way through a crowd of 30 civilians and a group of nervous soldiers anxious to get the journalists away from the craft before guerrillas in hillside positions nearby spotted the helicopter and began bombarding the field.

Crewmen of the 377th Hero Helicopter Regiment pushed back the crowd, one man using his foot to dislodge a youth who had hauled himself into the helicopter's doorway. Within a minute, the Soviet-built Mi-8 transport helicopter was airborne again, rejoining an escort of six helicopter gunships for the hazardous 40-minute flight back to Kabul.

Only three or four of the civilians had managed to push their way aboard. The others, including several women in the pleated linen shrouds called *burqas* that are traditional among devout Afghan Moslems, tramped disconsolately back across the field toward a cluster of mud-walled buildings that have been turned by the soldiers into fortified posts.

When the Moslem holy month of Ramadan ended Tuesday, officials in Kabul predicted a major offensive against Jalalabad, which has been relatively quiet in the past 10 days after withstanding the most intensive rocket and artillery bombardment of the 10-year war.

In seeking to make the 130-kilometer (80-mile) journey to Kabul across mountain terrain controlled by the insurgents, the civilians are hoping to join thousands of others — according to some rebel estimates, up to 50,000 others — who

have fled Jalalabad since the guerrilla offensive began March 6.

Officials in Jalalabad say its population is 170,000, but the reporters, who spent almost five hours in the city, drove through nearly deserted streets and saw nearly as many soldiers and militiamen as civilians.

One favored destination for those seeking to leave is Pakistan, 80 kilometers to the east, where 3 million Afghan refugees already live in camps controlled by the guerrillas. Another is Kabul, which remains firmly in government hands. In either case, the journey can present greater dangers than remaining in the city.

While rocketing and shelling by the guerrillas is said to have killed more than 500 civilians and injured 3,000, anybody leaving Jalalabad now runs the risk of being caught up directly in the fighting.

The only other means of leaving the city is by arranging a ride

aboard one of the trucks or helicopters that ferry between Jalalabad and Kabul. With guerrillas poised in many of the mountain passes along the highway, many of the convoys in each direction are attacked, even when they are protected by tanks and helicopters.

Major General Najib, the Afghan leader, has urged the country's highest authority, the Loya Jirga, or grand national assembly, to extend for three months a state of emergency declared after the last Soviet troops withdrew in February, Reuters reported from Kabul.

Under the constitution, the Jirga is the only body capable of extending the emergency, which suspends a series of rights, including freedom of expression and assembly.

A government spokesman said the body was certain to endorse an extension of the emergency, which expires Thursday, because of the fighting in Afghanistan.

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The Conservative Party lost control of Welkom to the Nationalists in a March by-election. Conservatives who came to power in many towns in the province last fall have tried to reintroduce racial restrictions that were abolished in recent years, including a ban of multiracial sports events.

An East German Re-Defects

Agence France-Press

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WORLD BRIEFS

2 Die in Fire on U.S. Aircraft Carrier

NORFOLK, Virginia (UPI) — An explosion and fire erupted aboard the aircraft carrier *Armeda* off the North Carolina coast, killing two crew members. It was the third major accident aboard a U.S. Navy vessel in a month.

Fire fighters quickly extinguished the blaze, which broke out in a fuel pump room Saturday night, a spokesman at Atlantic Fleet headquarters said. The vessel remained under its own power.

Six sailors were killed and five were injured by a fire May 9 that swept through the boiler room of the supply ship *White Plains* about 100 miles (160 kilometers) off Hong Kong in the South China Sea. An explosion April 19 in a gun turret on the World War II battleship *Iowa* killed 47 sailors during training exercises in the Atlantic.

Hungary Halts Disputed Dam Project

BUDAPEST (AP) — The Hungarian government has announced the immediate suspension of all work on a disputed dam and power station on the Danube.

Deputy Prime Minister Peter Medgyessy, in a weekend statement, said a study would be made to examine the financial, legal and ecological implications of terminating construction of the Nagymaros dam, which lies 50 kilometers (30 miles) upstream from Budapest.

The decision conformed to the recommendation of a government commission that had called the dam "a symbol of Hungary's mismanaged economic development."

Police Break Up Kwangju Protest

KWANGJU, South Korea (AP) — Riot troops broke up a march Sunday by thousands of people protesting the death of a radical student who they say was tortured and killed by the police.

Policemen used clubs and shields on the crowd of about 5,000 who gathered outside the provincial government headquarters in Kwangju, 270 kilometers (170 miles) southwest of Seoul. Students threw rocks and bricks at the policemen as fighting surged up and down Kwangju's main street. The police said they had no figures on injuries.

The marches were called to protest the death of Lee Chul Kye, whose body was found Wednesday in a reservoir near Kwangju. The authorities fear the death will keep heightening tensions in Kwangju, which marks the anniversary this week of the May 18, 1980, uprising in which at least 192 people were killed. Many students blame President Roh Tae Woo, a former general, for the bloody suppression of the uprising.

Soviets Seek to Buy U.S. Soybean Oil

WASHINGTON (NYT) — The Soviet Union is seeking to buy at least 200,000 tons of soybean oil from the United States at subsidized prices that could cost American taxpayers about \$30 million, the administration, congressional officials and the agriculture industry have confirmed.

If the request is granted, it would be the first time the United States has subsidized a sale to the Soviet Union of any agricultural product other than wheat. Farmers, soybean processors and their congressional supporters strongly favor the Soviet request under Washington's relatively new Export Enhancement Program. The Bush administration, citing the complexity of the issues raised, seems inclined to reject the request.

Agriculture Secretary Clayton K. Yentler told a congressional panel that the proposal was significantly different from the subsidized sale of wheat to the Soviet Union. In wheat, the competition is mainly with nations in the European Community that heavily subsidize exports. But he said a soybean oil sale would come at the expense of the debt-laden Third World countries that seldom subsidize.

Sudan Bars Departure of Relief Train

KHARTOUM, Sudan (Reuters) — A government objection to the amount of food destined for rebel-held areas of southern Sudan stopped a United Nations-sponsored relief train from leaving Sunday, UN officials said.

They said that just hours before the trip was to start government officials objected to a plan previously agreed upon that half the supplies should be unloaded at the town of Mahlor, held by the rebels.

The government wanted only eight of the 49 cars in the train to be left at Mahlor for civilians, they added. No new date was set for the train's departure. The train had been due to leave the town of Al Muglad in South Kordofan on Sunday for Awel, 250 kilometers (160 miles) to the south. Mahlor lies between the two towns, and the train was expected to reach Awel in nearly a week. The \$132 million relief mission, called Lifeline Sudan, began on April 1.

TRAVEL UPDATE

Strike Is Expected to Disrupt London

LONDON (IFT) — An all-day strike by bus and subway workers scheduled for Monday is expected to create severe traffic problems in London, police and traffic officials said.

Bus drivers have called a system-wide strike starting at 5 A.M. to press their demand for a 14-percent pay raise. They have been offered a 7.1-percent increase by their employer, London Regional Transport, a state-subsidized company.

The expected strike on the London Underground is an unofficial action for higher pay and will be the third such strike in two months.

More than 500 AIDS cases have been recorded in the commercial and tourist town of Chiang Mai in northern Thailand, the Nation newspaper said Sunday. It said figures compiled by provincial authorities had raised fears about prostitution that has accompanied a tourist boom in the town. Of the 520 cases, 226 were female prostitutes, 229 were heterosexual men, 59 were intravenous drug users and 5 were homosexuals, the Bangkok newspaper said. The figures for Chiang Mai, contrasted sharply with national statistics, which show 87 percent of AIDS carriers are intravenous drug users, it said.

Syria will begin rationing water in the capital, Damascus, following a disastrous drop in winter rainfall, the chief city engineer said. (Reuters)

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Andorra, Austria, Bahamas, Barbados, Belgium, Burkina Faso, Central African Republic, Denmark, East Germany, France, Gabon, Grenada, Iceland, Ivory Coast, Liberia, Liechtenstein, Luxembourg, Madagascar, Monaco, Morocco, Netherlands, Norway, Paraguay, Rwanda, Senegal, Spain, Sweden, Switzerland, West Germany.

WEDNESDAY: Norway.

THURSDAY: Haiti, Uruguay.

FRIDAY: Malaysia, Singapore, Thailand, Turkey.

SATURDAY: Bangladesh, Cameroon, Sri Lanka, Zaire.

SUNDAY: Chile, Indonesia, Sri Lanka.

Source: Morgan Guaranty Trust Co., Reuters.

WEATHER

| EUROPE | | | | ASIA | | | |
|--------------|------|-----|---|-----------|------|-----|---|
| | HIGH | LOW | | | HIGH | LOW | |
| Amsterdam | 58 | 48 | F | Bangkok | 82 | 72 | F |
| Antwerp | 58 | 48 | F | Beijing | 72 | 62 | F |
| Athens | 68 | 58 | F | Hong Kong | 72 | 62 | F |
| Berlin | 58 | 48 | F | Manila | 72 | 62 | F |
| Bombay | 78 | 68 | F | New Delhi | 82 | 72 | F |
| Buenos Aires | 68 | 58 | F | Shanghai | 72 | 62 | F |
| Calcutta | 78 | 68 | F | Singapore | 72 | 62 | F |
| Cairo | 78 | 68 | F | Taipei | 72 | 62 | F |
| Cebu | 78 | 68 | F | Tokyo | 72 | 62 | F |
| Dhaka | 78 | 68 | F | | | | |
| Hankow | 78 | 68 | F | | | | |
| Hong Kong | 72 | 62 | F | | | | |
| Kobe | 72 | 62 | F | | | | |
| London | 58 | 48 | F | | | | |
| Lyons | 58 | 48 | F | | | | |
| Madrid | 58 | 48 | F | | | | |
| Moscow | 58 | 48 | F | | | | |
| Mumbai | 78 | 68 | F | | | | |
| Paris | 58 | 48 | F | | | | |
| Perth | 78 | 68 | F | | | | |
| Rangoon | 78 | 68 | F | | | | |
| Seoul | 72 | 62 | F | | | | |
| Shanghai | 72 | 62 | F | | | | |
| Singapore | 72 | 62 | F | | | | |
| Taipei | 72 | 62 | F | | | | |
| Tokyo | 72 | 62 | F | | | | |
| Yokohama | 72 | 62 | F | | | | |

MONDAY'S FORECAST: CHANGHAI: Breeze: Fair; Temp: 19-24 (44-75). SHANGHAI: Breeze: Fair; Temp: 19-24 (44-75). TAIPEI: Breeze: Fair; Temp: 19-24 (44-75). HONG KONG: Breeze: Fair; Temp: 19-24 (44-75). SINGAPORE: Breeze: Fair; Temp: 19-24 (44-75). MANILA: Breeze: Fair; Temp: 19-24 (44-75). NEW DELHI: Breeze

Moscow Weighs Role in Central America

By Don Oberdorfer
Washington Post Service

WASHINGTON — Soviet leaders have indicated that they are prepared to make a major shift in their role in Central America, de-emphasizing military support for Nicaragua and taking a more positive stand toward negotiated settlements, U.S. officials say.

The comments by Soviet officials came during talks in Moscow last week with Secretary of State James A. Baker 3d.

The promised change in the Soviet posture in Central America comes in response to the admini-

stration's public and private requests. It parallels a recent shift of emphasis from military to diplomatic engagement in Washington's dealings with Nicaragua.

Such a shift by Moscow could greatly assist U.S. diplomacy in the Western Hemisphere and might be the harbinger of a more cooperative Soviet-U.S. relationship in other regions.

In Moscow, Mr. Baker gave special emphasis to the settlement of regional conflicts that have brought the United States and the Soviet Union to logheads since the mid-1970s. Of these, he gave the highest priority to Central America.

Mr. Baker also said that, as in the

A major point in Mr. Baker's presentation was that the Bush administration has moved away from military confrontation in the region by accepting the termination of military aid to the Nicaraguan rebels and turning instead to the regional peace process devised by President Oscar Arias Sánchez of Costa Rica.

Mr. Baker argued that with the threat to Nicaragua diminishing, the Soviet Union should curtail its \$525 million military aid program, which is the foundation of Managua's armed forces and the underpinning of aid to guerrilla forces in El Salvador.

Mr. Baker also said that, as in the

Middle East, the Soviet Union could make a contribution to regional peace efforts through positive, nonmilitary actions.

And he made clear that, for the administration, Soviet activity in Central America is a crucial test of Mikhail S. Gorbachev's "new thinking" in foreign affairs.

After the meetings, the Soviet foreign minister, Eduard A. Shevardnadze, said he had perceived "a new element" in the U.S. stance: striving to settle matters in Central America by political rather than military means.

Mr. Baker said the Soviet Union and the United States had "agreed to work together toward a political and diplomatic solution to the problem of Nicaragua" and to support the goals of the regional peace process.

He added that he was very hopeful about a cutback or end to Soviet aid to Nicaragua. Other sources said the evolving Soviet stand clearly implied a shift from military to diplomatic approaches.

It may take months or longer to establish whether the change is real and whether it is effective, given continuing Cuban activities in the region, which the Soviets are unable to control. Still, the talks last week are considered a promising start on a shift of potentially great importance.

U.S. officials cited other developments at the talks:

- Discussion of a Bush-Gorbachev summit meeting was begun, with both sides agreeing to take it up in practical terms when Mr. Shevardnadze meets Mr. Baker at the United Nations in September.
- According to Mr. Shevardnadze, both sides agreed to make summits "a normal political occurrence and to remove the certain element of sensationalism from them."
- Discussions of human rights issues have led to a dramatic increase in Soviet permission for Jews, Pentecostals, Germans, Armenians and others to emigrate.
- This also has produced draft legislation prepared for the Supreme Soviet, the principal legislative body, that would translate new emigration policies into law.
- In return, Mr. Bush promised Friday to move toward a one-year waiver of the Jackson-Vanik Amendment, which would qualify Moscow for most-favored-nation trade benefits after a decade of denial.
- A 23-point U.S.-Soviet work program on issues ranging from maritime boundaries to civil aviation has been endorsed.
- U.S. and Soviet experts on terrorism will meet next month in Moscow to discuss cooperation, including exchanging intelligence against terrorist groups.
- Exchanges on international narcotics trafficking, global warming and other environmental issues and combating natural disasters have also been agreed upon.
- An increase of as much as 40 percent in direct airline flights between the United States and Soviet Union is likely to be approved this week. The additional flights from Moscow could assist in the increased Soviet emigration to the United States.



PULLING FOR CHARITY — Members of the New York Police Department, in an effort to raise money for the Leukemia Society of America, tried to tow a British Airways Concorde at John F. Kennedy International Airport. Could they or couldn't they? The question remained moot when the rope snapped; several among the 115 officers lost their balance and abruptly hit the tarmac.

David A. Carter/The Associated Press

Kremlin Brandishes a Stick

Warning on Lance Upgrading Puts Pressure on West

By R. Jeffrey Smith
Washington Post Service

WASHINGTON — The Soviet Union has significantly increased the pressure on Western Europe to repudiate the call by Britain and the United States to modernize nuclear missiles instead of beginning new arms-control negotiations with Moscow.

With a potentially divisive NATO summit meeting two weeks away, Mikhail S. Gorbachev, the Soviet leader, offered the West a carrot Thursday by pledging to destroy 500 nuclear warheads on short-range weapons in Europe, hoping to gain Western approval for talks that could eliminate up to 10,000 more Soviet warheads.

On Saturday, the Soviet foreign minister, Eduard A. Shevardnadze, in a news conference in Bonn, added the stick: Either the West abandons its hope of modernizing Lance missiles in Western Europe or the Soviets will counter the U.S. move.

One option, Mr. Shevardnadze said, is to create a weapon similar to the Lance replacement that the United States wants to install in West Germany. Another is to "think over" and possibly halt Soviet compliance with a provision of the INF Treaty that requires destruction of an existing missile of similar range, the SS-23.

The Soviets' argument, laid out by Mr. Gorbachev in his meeting with Secretary of State James A. Baker 3d last week, revived a dispute that dates from negotiations in 1987 on the INF Treaty.

The Soviets argued then and now that the SS-23 should not have been included because its maximum range was just below 500 kilometers (310 miles), the minimum the treaty is intended to cover. But they agreed to the missiles' inclusion because U.S. negotiators disputed the Soviet estimate of its range as too low and wanted an assurance that deployment of the missile would not circumvent the accord.

Mr. Gorbachev said that elimi-

ination of the SS-23 was agreed to on the condition that the West would not develop a similar missile and that Mr. Baker's predecessor, George P. Shultz, was informed of this condition during negotiations.

Now, the Soviets complain, the United States is planning to modernize roughly 700 nuclear-tipped Lance missiles in West Germany that become obsolete in 1995 with new missiles with a range of roughly 280 miles. They also note that the French are planning to replace their Pluton nuclear missiles with Hades missiles of similar range on French soil.

A senior U.S. official responded that the Soviet complaint was "not without reason" because "nobody was totally sure" that the range of the SS-23 was more than 500 kilometers. But he said the Soviets had waived their right to complain when they signed the treaty, which specifically includes the SS-23 and does not constrain development of any U.S. missile with a range of less than 500 kilometers.

One problem is that the SS-23s must be eliminated by the end of 1990 under the second, while U.S. officials have said a final decision on the deployment of any new short-range missile may be deferred beyond 1990.

The allies are already divided on the issue because their governments — and voters — see the issue in starkly different terms. On the one hand, West German leaders, responding to broad public sentiment, see the prospect of negotiations as a potential means to rid themselves of warheads that can explode on their own soil.

Perhaps the biggest obstacle to NATO adoption of the U.S. and British position against negotiations is a broad European perception that an accord would require the West to give up far fewer weapons than the East, creating an appealing opportunity to eliminate a significant Soviet military advantage when mea-

sured in strictly numerical terms.

The Soviets have acknowledged maintaining 1,608 short-range missile launchers, for example, as opposed to 136 that they say are maintained by the West — a ratio of 12 to 1. U.S. officials say that the Soviets have roughly 3,000 missiles of three types associated with those launchers, while the United States has only the 700 Lance missiles.

The officials also say the Soviets have a total of 10,000 nuclear weapons in Europe, while the United States has less than half that number.

The issue is complicated by Soviet opposition to a deal that includes only the short-range missiles at the center of the NATO dispute.

Marshal Sergei F. Akhromeyev, adviser to Mr. Gorbachev and a former military chief of staff, said recently that the Soviets were seeking a broader set of negotiations encompassing "tactical missiles, strike aircraft and artillery with their nuclear components."

His tally of these forces showed a rough overall balance, with Western superiority in aircraft due to the presence of U.S. aircraft carriers in waters near Europe.

U.S. and British officials argue that the presence of U.S. nuclear arms since the 1950s has prevented conventional conflict by compensating for the numerically superior Warsaw Pact forces.

To the West Germans, this rationale has been undercut by a Soviet pledge to negotiate a treaty constraining conventional forces to equal levels, which Mr. Gorbachev has said can be implemented simultaneously with a new accord.

The West German position is also that nuclear artillery and short-range missile forces should be reduced to a low level, but not eliminated. But U.S. and British officials suspect that political pressures will move Bonn toward acceptance of the total elimination of U.S. nuclear forces from their soil.

AMERICAN TOPICS

Networks Seeking Meatier Campaigns

U.S. television networks are already trying to make sure that candidates in the next presidential campaign will talk substance. The networks would also like to get some real drama at the national nominating conventions instead of the puffery that typically characterizes those of both parties.

The networks are threatening to reduce coverage if the politicians don't cooperate.

"Politicians and political consultants have learned so well how to manipulate us," ABC's anchorman, Peter Jennings, said recently.

The conventions no longer have much real news value because the nominees are almost always determined weeks or months before in the primaries and the caucuses.

One proposal at ABC-TV: Confronted with a contrived "photo opportunity" like George Bush's visit to a flag factory or Michael S. Dukakis's ride in a tank, the network would not use the item unless the candidate had made himself available for questions as well.

The networks want more drama at the party conventions — fights over platforms, say, or contested vice presidential nominations.

Democrats and Republicans want no such thing, the Times says; they want to use those three evenings of free time as flawless launchpads for their fall campaigns.

To encourage better and more frequent debates, Representative Lee H. Hamilton, an Indiana

Democrat, would require detailed discussion of serious topics as a condition for federal campaign funds.

"Candidates won't just naturally talk about the issues that matter," he said. "You have to force them."

Short Takes

A U.S. Air Force F-16 jet fighter-bomber on a training exercise accidentally dropped a live bomb containing 200 pounds (90 kilograms) of explosives in woodland near Brantley, Georgia, population about 80.

The bomb exploded about 40 feet (12 meters) above the ground when it hit a pine tree, scattering other trees within 300 feet but making little impact on the soil. Nobody was hurt. Air Force jets carrying bombs have standing orders not to fly over structures.

The Ponderosa gambling casino in Reno, Nevada, bans all smoking and so far is doing well.

Billing itself as "Reno's breath of fresh air," the Ponderosa opened in March. It is reputed to be the world's only casino that does not allow smoking in its gaming areas, hotel rooms, restaurant and even the bar.

Patrons are not the only ones to seek out the clean air — all 86 Ponderosa employees are non-smokers, and there's a waiting list of those who want to be hired away from casinos where smoking is allowed. Scattered throughout the 9,000-square-foot (810-square-meter) casino are signs that say, "For the Health of It, the Butt Stops Here."

Notes About People

Irving Berlin, the composer, had his 101st birthday Thursday; as is his usual practice, he ignored it. Martha Graham, the dancer-choreographer, observed her 95th birthday the same day.

Arthur Higbee

Congressman Concedes Flaws in Bond Report

By Charles R. Babcock
Washington Post Service

WASHINGTON — Tony Coelho of California, a top-ranking Democrat in the House of Representatives, has acknowledged that he and his accountant gave an incomplete and partially inaccurate account last month of his 1986 purchase of \$100,000 in high-yield junk bonds.

A new version of the transactions was made public Saturday by Mr. Coelho and his accountant.

When questioned last month, Mr. Coelho did not disclose that a California financier had actually bought the bonds first because Mr. Coelho did not have the money or that he had failed to report a

\$50,000 loan, used to finance the transaction, on his House financial disclosure statements as required by law.

Mr. Coelho said earlier that a friend had recommended the investment and that "money was sent" to pay for the bonds on May 1, 1986. He now says that Thomas Spiegel, chairman and chief executive officer of Columbia Savings & Loan Association, bought the bonds and held them for a month until Mr. Coelho obtained \$100,000 from three loans — including \$50,000 from Mr. Spiegel's association — to pay him.

They made the arrangement the day that Drexel Burnham Lambert Inc. sent Mr. Coelho a telegram

warning that his opportunity to buy the bonds was about to expire.

Mr. Coelho, as majority whip of the third-ranking Democrat in the House after the speaker and the majority leader, earned \$13,230 on the bonds during the four and a half months he owned them, netting \$6,882 after paying interest on the loans.

On Saturday, Mr. Coelho said that the \$50,000 loan from Columbia Savings was omitted because of an oversight by his accountant, Donald W. Ozenbaugh Jr. He also said that Mr. Ozenbaugh, who prepared Mr. Coelho's disclosure statements and tax returns, inaccurately reported several aspects of the transaction.

Mr. Spiegel built his profitable company by aggressively investing in junk bonds, including many offered by Drexel. He was and is a close associate of Michael R. Milken, the former head of Drexel's junk bond department.

Columbia's records of dealing with Drexel have been subpoenaed in the investigation that led to the recent indictment of Mr. Milken on charges of racketeering, insider trading and securities fraud.

Mr. Spiegel and other Columbia executives, as well as Mr. Milken and several Drexel junk bond traders, were major donors to the Democratic Congressional Campaign Committee in 1985-86. Mr. Coelho headed the committee.

Soviets Offer to Dismantle Siberia Radar

By Michael R. Gordon
New York Times Service

WASHINGTON — The Soviet Union has informed the United States that it is prepared to dismantle the long-disputed radar in Siberia if the United States agrees to a strict interpretation of the 1972 Anti-Ballistic Missile Treaty, according to Bush administration officials.

The new Soviet proposal was presented by Foreign Minister Eduard A. Shevardnadze to Secretary of State James A. Baker 3d when they met last week in Moscow, U.S. officials said. Mr. Baker reportedly rejected the Soviet offer. Moscow had previously offered to convert the Krasnoyarsk radar

complex to civilian use as a space research center instead of dismantling it.

The United States had called that offer insufficient and insisted that the radar be torn down. It says that the complex, which is incomplete, violates the ABM Treaty because it is not on the periphery of Soviet territory and oriented outward as the pact requires.

A senior administration official traveling with Mr. Baker said Soviet officials said the decision to construct the complex was a "mistake."

The official said the Soviet leadership appeared to be trying to distance itself from the decision to build the radar by asserting that it

was made without the knowledge of high-level Soviet officials.

In his meeting with Mr. Baker, Mr. Shevardnadze reportedly referred to the general language that the two sides agreed to in the 1988 summit meeting in Washington, committing the United States and the Soviet Union "to observe the ABM Treaty, as signed in 1972."

Mr. Shevardnadze said Moscow would dismantle the radar if Washington acted on the summit understanding by interpreting the ABM Treaty in a strict fashion.

The Bush administration has not said whether it accepted the strict reading of the ABM Treaty — which is supported by Moscow, a majority of the Senate and most U.S. negotiators of the pact — or whether it endorses a much more permissive reading of the agreement developed by the Reagan administration.

Brent Scowcroft, President George Bush's national security adviser, said before taking office

that the strict reading of the treaty provided the United States with sufficient flexibility to carry out its anti-missile testing program, the Strategic Defense Initiative, for an extended period.

The United States has told Moscow that it would not conclude a treaty to cut long-range nuclear arms until the dispute is resolved.

Some arms-control supporters who favor the traditional interpretation of the treaty say the Soviet approach should be accepted.

"This approach would prevent the erosion of the ABM Treaty by both sides and would open the door to early progress toward a strategic arms treaty," said James P. Rubin, assistant director of the Arms Control Association, a private group.

In his speech Friday, Mr. Bush said the United States would seek in the arms talks to "preserve our options to deploy advanced defenses when they're ready."

Esteban de Jesus, a Boxer Who Beat Duran, Dies at 37

New York Times Service

NEW YORK — Esteban de Jesus, 37, the World Boxing Council lightweight champion from 1976 through 1978, died of AIDS Friday at his home in San Juan, Puerto Rico.

Mr. De Jesus gained sudden prominence in 1972 with a first-round knockout and a 10-round decision over Roberto Duran, the world lightweight champion, in a monthlight fight in New York. He ended his career with 57 victories and 5 defeats, with 32 knockouts.

In a second bout against Mr. Duran, in Panama in 1974, Mr. De Jesus's bid for the lightweight title failed as he suffered an 11th-round knockout.

Mr. de Jesus began using cocaine and heroin early in his boxing career with an older brother, Enrique. In 1980, after having injected himself with cocaine, Mr. de Jesus became involved in a traffic dispute and fatally shot another driver in the head. He was sentenced to life in prison.

In 1985, he learned that Enrique, with whom he had shared needles, had died of AIDS. Mr. de Jesus tested positive for the virus, and symptoms began to appear in January. "I'm waiting to see what's to be God's will," he said Feb. 12. "I'm in God's hands."

He died less than two months after the governor of Puerto Rico commuted his sentence.

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Now for American Deeds

President George Bush finally offered a glimpse of his thinking about Soviet-American relations, and it seems a sensible one. Speaking in Texas on Friday, he wisely called for moving beyond containing Soviet expansionism to "the integration of the Soviet Union into the community of nations."

He cautioned against basing new policy on hope. "It must," he said, "be based on deeds." That is a noble and correct challenge to Mikhail Gorbachev. But Mr. Bush and his colleagues seem barely to have noticed that the Soviet leader has already produced several deeds. Not the least of these have been the Soviet troop exodus from Afghanistan, the order to reduce Soviet forces by half a million and the introduction of measured freedoms inside the Soviet Union.

Compared with these initiatives, the Bush speech and the proposals that Secretary of State James Baker took to Moscow last week seem long on vision and short on content. It is now time for the Bush administration to conjure up a few deeds of its own.

The Bush team has tended to think and speak of East-West relations as a propaganda battle in which Mr. Gorbachev has put America clearly on the defensive. Their ongoing policy review has therefore centered on matching Moscow vision for vision. What they have lost sight of is that Mr. Gorbachev has been giving his words credibility and force by backing them up with actions.

Thus it was no surprise that Mr. Baker found himself with a losing hand during his two-day session in Moscow. His high card was acceptance of a Soviet proposal to resume talks on long-range nuclear arms. But after an American-caused hiatus in these negotiations lasting more than six months, he could hardly have offered any less.

Mr. Gorbachev pocketed this and then tossed three significant chips onto the table: a renewed offer to begin talks on short-range nuclear arms, a unilateral pledge to cut these weapons by 5 percent and a detailed proposal for reducing NATO and Warsaw Pact conventional forces by more than half.

Mr. Baker had no counter. He and his aides left the city muttering about irresponsible propaganda ploys. "Vintage Gorbachev," an aide charged. Indeed.

The two sides reported progress in their discussions on Nicaragua and the Middle East. Unfortunately, they accomplished little or nothing on the newer issues like the environment, terrorism and drugs — issues that Bush administration officials labeled "global issues" before the trip.

While Mr. Baker offered little in Moscow, Mr. Bush asked for a lot in his Texas speech. He called for further unilateral reductions in Soviet forces and Moscow's acceptance of self-determination for Eastern Europe. It makes sense for Mr. Bush to squeeze the Soviets on just such matters.

He was also right to sweeten the atmosphere on the economic side. He offered a "temporary waiver" of Jackson-Vanik trade provisions if Moscow codified its laws to allow freer emigration.

His call for both sides to "explore" President Eisenhower's old proposal for "open skies" surveillance of each other's territories seemed a bit contrived. Its value, given the power of spy satellites, needs explaining.

The most encouraging part of the Bush speech was his assertion that the Western policy of containing the Soviet Union has worked, and that "we are approaching the conclusion of an historic postwar struggle."

He struck exactly the right note when he added: "Now it is time to move beyond containment, to a new policy for the 1990s — one that recognizes the full scope of change taking place around the world, and in the Soviet Union itself."

Gorbachev Sets the Pace

Life with Mikhail Gorbachev is one excitement after another. He has a concept, a policy, a plan, and he's at it around the clock. He is determined to consummate domestic renewal and to create the necessary international tranquility; for it, he is moving vigorously to ease relations on all sides. Making domestic reforms, he may have found, is sticky and slow. Foreign policy offers quicker rewards of substance and prestige. Last week he received James Baker, who was on his first trip to Moscow, and this week he visits Deng Xiaoping for the first Chinese-Soviet summit in 30 years.

Secretary of State James Baker, representing a careful and conservative president who has been slow to get a whole policy in place, arrived in Moscow hoping to impose a broad, slow American agenda centering on a demand for responsible Soviet global conduct. He was hit by a typical Gorbachev blitz aimed at advancing a particular Soviet agenda in Europe right away. Mr. Baker apparently felt blacked out. But why? All the Gorbachev moves come well telegraphed. They have an open and avowed logic: to diminish and nullify the threat to the Kremlin feed resources to reform. Mr. Gorbachev plays hard, but the United States is going to have to keep up.

He announced a unilateral cut of 500 nuclear weapons in Europe. Good. Four more such cuts and he matches the unilateral American cuts of the last decade, 11 more and he reaches current American weapons levels, 19 more and he reaches zero.

It seems that his purpose is less to alter the military balance than to strengthen the hand of those in NATO who, unlike the United States, want early negotiations on getting rid of short-range missiles. But NATO should not be flustered. There is a case for negotiations to bleed off political pressure. But there is a stronger case for a policy that preserves a sturdy nuclear deterrence on the European ground at least until the Kremlin's conventional superiority and potential for surprise attack are terminated. Surely Western diplomats can put these two elements together for the coming NATO summit.

Mr. Gorbachev also announced that, once the Warsaw Pact completes its announced unilateral conventional cuts and once the pact and NATO negotiate the 10 to 15 percent cuts they are now addressing at Vienna, then the two alliances should

each pull out another million men along with their tanks and other weapons. This was received as a propaganda bombshell. Actually it is a goal meriting studied exploration as the arms control aspect of a larger plan for suitable near-all-European political and security arrangements. The alliances will still have to work out exactly which weapons to cut, in what zones, in what order, on what timetable and so on.

The demand is palpable in the West to adjust to the new circumstances that are identified with Mr. Gorbachev, although they are hardly his property. President George Bush attempted to catch up to this wave on Friday in a speech billed as completing his administration's review of U.S.-Soviet relations. Starting from a prudent, if totally somewhat sermonic, demand for continuing "deeds" to match Moscow's promising new words, he sketched out a goal ("more ambitious than any of my predecessors might have thought possible") to move beyond the successful containment of Soviet expansionism of the last 40 years to a new objective of integrating "the Soviet Union into the community of nations," welcoming it "back into the world order." This is at once a rather condescending, assertion and a large and worthy purpose, and everyone will be waiting to see just how Mr. Bush's specific policies fill out the spacious dimensions he has now limned for them. What he offers for an opening deed of his own — the "open skies" proposal — seems warmed-up and oddly superfluous to the current scene.

Meanwhile, Mr. Gorbachev heads to Beijing for a summit which, with a constancy the West might well envy, China rebuffed for years until Moscow had met Chinese conditions on Afghanistan, Cambodia and the Chinese-Soviet border. It would be uncharacteristic of the Soviet leader not to have a few surprise favors ready in his briefcase. But the United States, which long ago set out to improve its own relations with both Moscow and Beijing, can reasonably take comfort that Chinese-Soviet accommodation does not come at its expense. Even the specific Soviet concessions to China serve an American interest in Asian-Pacific stability and international normalization. Mikhail Gorbachev is trying to capitalize on these developments for Soviet purposes, and it is up to George Bush to capitalize on them for American ones.

— THE WASHINGTON POST.

Other Comment

Sensible but Short on Vision

Mr. Gorbachev has demonstrated skill in maintaining the initiative on arms control, repeatedly taking Washington by surprise. In that context, President Bush was correct in his address on Friday to press Mr. Gorbachev for further tangible steps, including acceptance of open aerial surveillance of troop movements, free emigration and renunciation of the Brezhnev doctrine that had asserted a Soviet right to intervene in Communist nations. Mr. Bush was also wise to recognize with new clarity the value of the social and economic changes taking place in the Soviet Union. Nevertheless, the American president's address left the impression that his foreign policy is still being formed, a status that limits his ability to

give vigorous leadership to the alliance, and a circumstance that inevitably makes it seem that Washington is always reacting to Moscow, not charting its own course.

— Los Angeles Times.

Mr. Bush lacks a great idea to animate his presidency. These are stirring times, and on Friday's evidence there is not much sign that he has yet been stirred by them. The speech will be remembered, nonetheless, as the moment when an American president finally laid to rest the doctrine of containment. In its place he offered the Soviet Union integration "into the community of nations," to which most of us assumed it had always belonged, albeit as a leading member of the awkward squad.

— The Observer (London).

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OPINION

The Powers Should Get Together to Salvage Lebanon

By Flora Lewis

PARIS — The silence is deafening. A reader of Lebanese origin writes to ask why her fellow Americans, so quick to vent outrage at wanton killing elsewhere, manage not to notice the daily rain of heavy artillery on Lebanese homes. Her complaint is justified.

At this moment, the latest cease-fire, arranged by Arab League observers, seems to be holding at least on land, although not on the

maritime approaches to the Christian redoubt. But there have been so many on-and-off cease-fires, so much fire. Le Monde's intrepid Beirut correspondent estimates that 100,000 shells fell on the Christian area in the last eight weeks, with 20,000 in a single day and 10,000 in a night, and 30,000 on areas controlled by the Syrians.

The country is being asphyxiated. There is seldom any electricity or gasoline. Food is short. Hospitals have been devastated. Only weapons are plentiful. And the world looks away. Impotent or indifferent, it scarcely matters to the cowering, exhausted people

waiting for a quiet moment to race out for a breath of air and supplies.

True, after the disastrous result of America's mismanaged intervention in Beirut and its diplomatic fiascos, Washington doesn't want to be drawn into the fatal Lebanese trap again. True, all the Lebanese factions are colluding outside forces have been at fault at some point in sustaining what is now a 15-year-old war. Or, as a veteran French expert puts it, there is enough right to go around. Everybody has a legitimate grievance.

But that is not a reason to abandon 3.5 million people who mostly are just trying to survive. They deserve attention because international indignation is probably the only way to bring a pause in the massacre and kindle some kind of hope for the future.

The Arab League now is trying to introduce observers who might make a cease-fire effective. Syria objects and finds intricate ways to defy the effort, on the ground that there is no need for other Arabs since Syrian troops, some 40,000 occupying two-thirds of the country, are already there. Syria has never recognized Lebanon, which it considers an artificial product of French colonialism that Damascus is entitled to control.

There is no need to repeat the long history of perfidy, murder, shortsightedness and selfish ambitions that brought things to this pass. The

problem now is Syria. But there is no chance of settling the larger Arab-Israeli conflict without Syria's consent, so the powers are loathe to denounce openly what Syria is doing and to use what influence they have to stop it.

Damascus tells foreign diplomats that so long as Israel holds the Golan Heights, annexed from Syria, it will not give up its Lebanese pawn. Israel seems content with its de facto truce with Syria, which leaves Israel in control of a "security zone" in southern Lebanon to ward off Palestinian armed incursions on its own territory.

French diplomats tell Jerusalem that if it lets the idea of Moslem-Christian coexistence — the idea at the core of the Lebanese state — expire in blood and tears in Lebanon, how can it ever expect an idea of Moslem-Jewish coexistence to take hold in the Middle East?

The first, faint sign of coordinated international weight on Syria's tough, wily president, Hafez Assad, came from Moscow last week in a joint communiqué by Secretary of State James Baker and Foreign Minister Eduard Shevardnadze. They called for "a national dialogue on reconciliation in Lebanon." Most important, they said that "the Soviet Union and the United States support the sovereignty, independence and territorial integrity of Lebanon."

That means they refuse to accept Syria's

claim of rightful overlordship — but notice, they don't even name Syria. That is considered too delicate. Some Arab states call, edgily, for the withdrawal of "non-Lebanese troops," to which the Syrians answer archly that that can only mean Israelis, since they and the Lebanese are as one.

The Arab League contorted itself and found the peculiar formula of calling on "Israeli and non-Israeli troops" to leave.

Jean-François Deniau, who was sent to Lebanon on a presidential mission to see what France could do, was disavowed by his own government for saying publicly that it was Syrian artillery pounding the Christians, and for mentioning French press dispatches to the effect that annual drug exports from Lebanon, particularly the Syrian-controlled Bekaa Valley, now amount to \$1 billion a year. That is said to be more than the total annual Arab contribution to the PLO.

It is too late for such discretion. The Soviets, evidently embarrassed by their Syrian allies now, the Saudis, who bankroll Damascus; the Europeans, with France as their main spokesman; the Vatican and the United States — all can and should now join to demand an end to the fighting, troop withdrawals and real negotiations.

If America is too inured to care about the state of Lebanon in the Middle East, it does care about drugs. The silence is also deafening.

The New York Times

NATO: The Disarray Could Be Repaired

By Paul H. Nitze

WASHINGTON — From the early days of NATO 40 years ago, it has often been charged that NATO was an alliance in disarray. And often the charge appeared to be well founded, particularly when Charles de Gaulle withdrew France from the NATO military organization (but not from the North Atlantic Treaty). But these differences, although serious, could in time be worked out and did not result in a shattering of the alliance.

Today's controversy with the West German government concerning negotiations with the Soviets on "short-range nuclear missiles" could be much more serious. The continental European countries are backing the Federal Republic against the Anglo-Saxons — President George Bush and Secretary of State James Baker, prodded by an adamant Prime Minister Margaret Thatcher.

There has long been a tension in U.S. policy toward Europe between the special relationship with Britain developed by Churchill and Roosevelt during World War II and the fact that the sector crucial to the defense of NATO is the central front on the continent. Partially as a result of the latter fact, West Germany and France have been at the heart of America's European policy in the postwar years.

When Britain and the United States join in hectoring demands for action by the continental NATO countries, this is taken as unwarranted pressure by the Anglo-Saxons, who are not viewed by the continentals as being true Europeans.

Furthermore, the uncompromising position of the Anglo-Saxons against any negotiations with the Soviets about short-range missiles — while concurrently demanding that West Germany some time in the future agree to modernization of U.S. Lance missiles in Germany — is politically unacceptable to the West German government. The Germans are being backed by the other NATO continental European powers.

Unless a compromise can be found, those relationships can split the alliance, with the serious consequences to NATO unity that Mikhail Gorbachev has long hoped would drop into his lap.

What should be done about all this? At the beginning of this administration, I outlined to James Baker an approach that I thought could give Washington the initiative in working out a solution. My suggestion was that he talk to the West German government, specifically to Chancellor Helmut Kohl, and propose the following train of action:

Rather than refuse to negotiate with the Soviets on the subject of the

zero-to-300-mile nuclear missiles deployed in Germany, I suggested that Washington tell Mr. Kohl it would be prepared to ask the Soviets to participate in such negotiations under certain conditions. The first condition would be that Mr. Kohl and his government agree to stick to their long-standing position that they are firmly opposed to the total elimination of short-range nuclear ballistic missiles; second, that his government back Washington in seeking equal ceilings with the Soviets on such missiles at a level substantially above zero (preferably in the 200-to-300-missile range); thirdly, that NATO as a whole support this initiative.

I emphasized that the current U.S. position of insisting on German agreement to modernize Lance while adamantly refusing to consider negotiations with the Soviets on the subject could not today be agreed to by any conceivable German government.

It has been argued, principally by Henry Kissinger, that to enter into a negotiation with the Soviets would inevitably result in agreeing to their possible demand for the total elimination of short-range missiles in Germany. To enter into a negotiation does not mean that you have to concur in the other side's demands. We have had 20 years of experience in demonstrating the reverse.

It is true that a segment of West German political opinion favors the unilateral dismantling of the short-range missiles on German soil and will continue to do so even if Washington enters into negotiations with the Soviets on the subject. But it is



also true that a majority of Germans favor maintaining the alliance and remaining useful partners with the rest of NATO, including the United States. It should be the objective of U.S. policy to assist that majority, through America's conduct, to prevail over the more politically active opposition groups.

There is another dimension to this issue — the military dimension. The Soviets have a large number of short-range missile launchers. Would not the United States and NATO be more secure with a low but equal ceiling on the short-range missiles of both sides? The Soviets may not agree to this, but why refuse negotiations aimed at such an outcome?

A further question has been raised by Senator Sam Nunn, Representa-

tive Les Aspin and others concerning the timing of stabilizing conventional-force reductions relative to negotiation on the limitation of short-range nuclear missiles. They are correct in arguing that the principal reason NATO needs short-range nuclear weapons is the great superiority of Warsaw Pact conventional forces over NATO conventional forces in Europe. The argument over whether to negotiate reduced equal ceilings on short-range nuclear forces would disappear if Warsaw Pact and NATO conventional forces were reduced to equal levels. But if agreement could be reached on equal levels of short-range nuclear missiles in Europe at about the level I suggest, I see no reason why the West should deny itself the benefit of the one-sided So-

viet reductions implied by such an outcome until we had achieved a more ambitious (and I believe more time-consuming) goal of conventional-force reductions.

Achieving "stabilizing reductions in conventional forces" is an important — I believe the most important — of NATO goals. We have spent years negotiating a mandate for such talks in the framework of the Helsinki process. Negotiations between NATO countries and the Warsaw Pact countries are about to begin. These negotiations are properly multilateral — not bilateral between Washington and Moscow. On the NATO side, most of the conventional forces are non-American. It would be improper for the United States to take the negotiations from its NATO allies; they would resent any such U.S. action.

Multilateral negotiations have historically taken much time. The Soviets have announced a target of significant unilateral reductions. But those reductions, if carried out, will still leave the Soviet Union with a dangerous superiority in tanks, self-propelled artillery and other important items. I see little prospect of a prompt resolution of these difficult problems. They must be handled with persistence.

Behind the short-range missile issue is the question of whether the Soviet Union has really changed its spots. Should the United States try to encourage what appears to be constructive change in the Soviet Union, or should we be cautious until we know more? Will Mr. Gorbachev survive as the unquestioned arbiter of political decisions in the Soviet Communist Party and thus in the Soviet Union? If so, what will his objectives be, and if not, what direction will the Soviet Union take?

I doubt that this set of questions presents us with a real issue. America can both be cautious, not letting down its guard, and at the same time explore with the Soviets whether they are prepared to negotiate agreements which would, on balance, be helpful to the United States and acceptable to Mr. Gorbachev. Caution and exploration of the possible are not necessarily contradictory aims.

The writer is director of the American Institute for Contemporary German Studies. He contributed this comment to The New York Times.

The writer was special adviser on arms control to President Reagan. He contributed this comment to The Washington Post.

Stop Fearing German Reunification

By Robert Gerald Livingston

WASHINGTON — German reunification is the dirty little secret of United States foreign policy. No one wants to come right out and say that it will soon be the greatest danger facing the West, but that is what almost everyone thinks.

Actually, reunification has been going on for years. By clinging to an outdated thesis about its dangers, Washington risks serious harm to its long-term relations with Bonn.

The fear is that a reunited Germany would produce another Kaiser Wilhelm, or even a Hitler, who would drag the world into war once again.

It is that Bonn's longing for reunification will lead it to conclude a neutrality pact with Moscow, tearing apart the Western alliance.

As a prisoner of this outmoded thinking, Washington often takes potentially destructive positions. It rebuffs Bonn's request for negotiations with Moscow on reducing short-range missiles. It may be contemplating ways to thwart the growth in relations between East and West Germany.

It seems to have eluded Washington that relations between the two

Germanys have been intensifying for nearly a decade. They are already so advanced that West Germany needs no alliance with the Soviet Union to promote them. And they will continue to develop on their own as long as détente endures.

The two states now play into each other's domestic politics in many direct, deep and subtle ways. More than four million East Germans, a quarter of the population, visited West Germany last year. Momentum is growing toward increased economic, technological, cultural and even military exchanges.

Similarities are readily discernible in many arms control positions, especially on short-range missiles. In fields such as environmental protection, joint bodies may appear soon. Other mutual undertakings will almost surely follow.

All this supports what George Kennan has recently written: "If German reunification ever comes about, it probably will assume forms that no one today can predict."

In all likelihood, the European Community will provide the seeds for the Germans' political reassociation, as it does already to a certain degree for their economic relationships.

Moreover, a single, united state is neither inevitable nor even likely. Very little popular sentiment for reunification exists today among West Germans. East Germany displays its own prickly nationalism, but it is not of the sort that would promote unification.

Each Germany has for 40 years — a period more than three times as long as the Third Reich — enmeshed itself in alliance and economic structures. West Germany is deeply tied to NATO and the European Community. Neither government is eager to dispense with these structures soon.

The American foreign policy experts who fret about reunification may be startled to learn that the United States is bound by a 1955 treaty with the Federal Republic to support reunification in a single state with a democratic system.

Merely, West German politicians have long since stopped reminding Washington of its commitment.

But they have not forgotten it. Recently they have even hinted sometimes that loyalty is a two-way street. There exist other alliances "loyalty tests" besides whether Bonn is willing to accept short-range nuclear missiles.

In such circumstances, the United States should, above all, do nothing that can be construed as blocking West Germany's associative efforts with East Germany. To do so is to

risk a vicious right-wing backlash in West Germany, if the efforts fail and scapegoats are sought.

Certainly America should not collude with the Soviets to maintain a neo-Metropolitan order east of the Elbe. Particularly pernicious would be to fall for the Soviet invitation to "take care of your Germans and we will take care of your Germans."

With its troops in West Germany and an occupation presence in Berlin, the United States is assured of great influence over German developments. It needs to stay engaged and insist on being kept fully informed. It must concern itself far more with East Germany, where a complete leadership change is due very soon. East Germany should no longer be at the bottom of Washington's European priorities.

The United States needs to play an encouraging and participatory role in the developing intra-German relationship.

To insist upon nuclear weapons systems that the West Germans reject only risks nationalist reactions that Washington might regret even more than having to revise NATO's nuclear strategies.

The writer is director of the American Institute for Contemporary German Studies. He contributed this comment to The New York Times.

The writer was special adviser on arms control to President Reagan. He contributed this comment to The Washington Post.

100, 75 AND 50 YEARS AGO

1839: Nihilists Expelled

ZURICH — A Herald correspondent says: "I attended a large meeting which the rabid Socialists held last night [May 13] in order to manifest their indignation at the expulsion of Russian Nihilists by the Swiss government. Very violent and riotous language was used and two Germans in the audience who were denounced as agents provocateurs were forcibly ejected. The expelled nihilists are busy today packing their traps. They will leave Switzerland tomorrow."

1914: Canal in Use

NEW YORK — The Herald's Panama correspondent says that the authorities are clearing the canal of obstructions. The removal of the suspension bridge over the canal at Empire was begun yesterday [May 13]. Dredging, particularly at Culebra, continues, and the fortifications are being rushed forward. With regard to recent reports of vessels of

commerce passing through the Panama canal, the Panama railroad officials say that they have received direct information that a service of vessels of small size commenced and that a stream of barges in tow is now going through from ocean to ocean.

1939: Stravinsky Named

CAMBRIDGE, Mass. — Harvard University today [May 14] announced appointment of Igor Stravinsky, a Russian-born composer, as professor of music. Mr. Stravinsky, now 56, is regarded as one of the world's greatest living composers. Associated with the Diaghilev troupe thirty years ago, he was one of the brilliant trio that made the Ballet Russe the most famed ballet company in history. The others were Serge Diaghilev, the company's impresario, and Vaslav Nijinsky, the dancer. Three pieces which he wrote, "Firebird," "Petrouchka" and "Le Sacre du Printemps," are now in almost every symphony orchestra's repertory.

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EUROBONDS Dollar Sector Seems Set For Advance This Week

By CARL GEWIRTZ
International Herald Tribune

PARIS — A rising dollar and declining long-term U.S. interest rates can be counted on to buoy the dollar sector of the Eurobond market this week. These bonds have an additional element that was already working in their favor before Friday's late rally in the dollar and the U.S. bond market: the historically wide spreads over the yields available on U.S. government bonds.

Since the start of the year, yields on Eurodollar bonds have widened relative to yields on international investors shunned the U.S. currency. To take just one group of Eurobonds — issues by triple-A-rated sovereign borrowers — yields this year had widened to 45 basis points, or almost half a percentage point, above those available on U.S. government bonds. Late last year, yields on such Eurobonds were less than 30 basis points over comparable dated Treasury paper.

With the dollar back in favor, traders are convinced that these wide spreads will begin to narrow to more historic levels, which means Eurobond prices could rise more than the gains to be expected just by the overall decline in dollar interest rates.

A rising dollar, falling U.S. rates and a big yield gap over Treasuries should boost the sector.

Indeed, late last week, spreads had already begun to narrow. For example, the World Bank 9 3/4% of 1996 ended the week yielding 38 basis points over Treasury bonds, compared with 41 basis points at the start of the week.

Nevertheless, the new issues launched last week failed to attract much enthusiasm.

Three of the issues were targeted for investors looking to play the currency market. One-year issues of \$50 million each were launched by the Council of Europe and Fiat. The Council of Europe set a coupon of 13 1/2 percent on paper offered at a price of 101 1/4. The high coupon covers investors for the exchange risk investors run, as the borrower can pay the annual interest and redeem the principal amount in Deutsche marks at a fixed rate of 1.875 DM per dollar, compared with the current 1.9205 rate.

THE HIGH coupon compensates investors for the risk that the spot exchange rate next year will be above that level and they will lose some money on the exchange-rate conversion. For a Deutsche mark investor looking at this paper, 2 DM is the breakeven point: the level at which the high coupon and the currency loss equal what the council would have paid to pay to borrow now directly in marks.

More than half of the issue was placed with banks in Turkey, which traditionally have large commercial exposure to the mark. For the Turkish banks taking a view that the mark will strengthen against the dollar, the issue has an additional advantage in that the high annual coupon — assuming it is paid in dollars — provides a big cushion over the near 10 percent they would currently have to pay to borrow dollars to finance the investment.

Commerzbank, using the same concept, issued 150 million DM of four-year paper on which interest is set at 8 1/4 percent. But in exchange for this high coupon, the bank has the right to pay annual interest and redeem the paper in dollars at a fixed exchange rate of 1.67 DM per dollar.

Fiat used a similar formula, but its option is to repay at a fixed exchange rate of 1.375 lire, compared with the current spot price of 1,399.50 lire per dollar. Fiat set a coupon of 15 percent and offered the paper at 100 1/4.

India's Industrial Development Bank came to the market with a \$100 million, seven-year bond carrying a coupon of 10 percent and offered at 100 1/4 to yield, less the underwriting fees of 1 1/2 percent, 110 basis points over U.S. government paper.

This was targeted for bank portfolios where the paper would be used for asset swaps, but dealers said the paper needed to be priced to yield at least 120 basis points over Treasuries for the swaps to work. The issue ended the week trading at a discount of 2 1/2 percent, well outside the fees paid to underwriters.

The Long-Term Credit Bank's \$150 million of four-year notes were tucked away with Japanese investors, as were the \$50 million offered by Shoko Chukin Bank. But other dollar issues failed to generate much enthusiasm among investors.

Credit Suisse First Boston drew criticism from bankers for its handling of IBM International Finance's three-year issue of 125 million European currency units, offered at 101 1/4 with a coupon of 8 1/4 percent. First-day sales got off to a good start, but with CSFB not making prices to brokers to the quoted price fell outside the 1 1/2 percent underwriting fees.

By week's end, however, CSFB had bought back about 20 percent of the issue — though not directly via the brokers — and the price finished at the fees of less 1 1/2.

CSFB also drew criticism over a convertible Eurosterling issue for Ladbroke Group. Strong initial response for the 15-year bonds enabled the company to increase the size from £140 million initially envisaged, to £150 million. But it also cut the coupon to 5 1/2 percent from the 5 3/4 percent that had been indicated and raised the price at which the paper is convertible into shares to 710 pence, a premium of 21.58 percent instead of the 18 percent that had been indicated.

Chairmen See U.S. Slowdown

Growth Forecast
Sets 1.5% Rate

United Press International

HOT SPRINGS, Virginia — Chief executives of the largest U.S. corporations anticipate economic growth will slow in the coming 18 months, increasing competitive pressures on prices and earnings, and "wrenching adjustments" in some industries, such as electronic products dependent upon defense.

The economic slowdown induced by higher interest rates is reducing demand for durable consumer items, said Philip M. Hawley, chairman of Carter Hawley Hale Stores Inc., at a three-day semiannual meeting of the Business Council in Hot Springs.

Retail sales in general, however, are better than anticipated. "Inventories are well under control," Mr. Hawley said.

Over the weekend, the Business Council met under the chairmanship of Roger B. Smith of General Motors Corp. to discuss the economy, U.S. government policies and the problems of corporate restructuring and leveraged buyouts.

A forecast prepared for the council anticipated a 1.5 percent annual growth rate for the next year and a half, with inflation stable at about 5 percent. The U.S. economy grew 5.5 percent in the first quarter of the year, but only 3.0 percent when the recovery from the year's drought was factored in.

John F. Welch, chairman of General Electric Co., noted that demand for durable goods — items meant to last at least three years — was slowing, partly as a result of weakness in the housing industry.

The business-equipment industry also registered "less robust growth," along with some reduction in employment through better productivity, said David T. Kearns, chairman of Xerox Corp.

The industry faces opportunities with the introduction of new technologies. But the sector suffers because there are "a lot of people competing without great consolidation," leading to declining profit margins, Mr. Kearns said.

High interest rates are depressing the construction industry, said

See COUNCIL, Page 11

Japan: A Taste for the West

Demand for Cheaper Food Spurs Investment in U.S.



Japanese investors have already gained significant holdings in U.S. real estate, and now they are pushing into agriculture.

By Andrew Pollack
New York Times Service

SAN FRANCISCO — In California's agricultural belt, a meat-packing plant that had been closed for years reopened recently with new financial backing — from the Japanese.

In the same city, Fresno, a Japanese textiles company is building what will be the first cotton mill west of the Mississippi River.

In the Napa Valley, California's famous wineries will soon be joined by a sake factory built by a Japanese brewing company, complete with the obligatory tasting room for tourists.

From the California wine country to the Florida citrus groves and Montana ranches, a wave of Japanese investment is sweeping through American agriculture and food processing.

While some welcome the trend, it is also stirring uneasiness. After similar waves of investment in U.S. real estate, factories and banks, even the American cowboy now seems to be falling under Japanese sway.

Much of the investment has been spurred by trade agreements signed last year that opened Japan's market to increased imports of beef, citrus products and other foods.

Production costs in the United States are far lower than those in

Cray Is Mulling Possibilities for Restructuring

By John Markoff
New York Times Service

NEW YORK — Just a month after Control Data Corp. withdrew from the supercomputer business, Cray Research Inc. is reported to be considering a variety of restructuring options that may include selling or splitting up the company. The changes could be finalized as early as Monday, when a meeting of the company's board of directors is scheduled, according to three industry executives with contacts at Cray.

The company is to hold its annual meeting in Minneapolis on Tuesday.

Concern has mounted about the company's welfare since the departure from the field of Control Data's ETA Systems Inc. subsidiary. Cray is the sole remaining U.S. supercomputer maker facing Japanese competitors in the market for the world's fastest machines.

Supercomputer-industry analysts and government officials in the United States have said they believe that three Japanese supercomputer manufacturers, NEC Corp., Hitachi Ltd. and Fujitsu Ltd., have an advantage in developing the next generation of machines because they are integrated companies with large resources.

The market is judged critical because supercomputers are playing an increasingly vital role in the design of a variety of high-technology products and defense systems. Cray executives have said that the company still maintains a significant performance lead over its Japanese competitors and expects to maintain that lead in the future.

However, at least one Japanese computer maker, NEC, has already surpassed Cray in the speed of a single processor. Cray has maintained its advantage by successfully harnessing a cluster of eight processors to function in parallel.

The company has denied a published report in a Chippewa Falls, Wis., newspaper that negotiations were under way to sell Cray to Apple Computer Inc. Cray has a development and manufacturing facility in Chippewa Falls.

A Cray spokesman also denied knowledge of any planned changes or reorganization at the company, which is based in Minneapolis.

But Cray has been challenged, said several analysts, by the burden of financing the development of two competing supercomputer designs.

In addition to Cray's widely publicized Cray-3 effort, being led by the company's founder, Seymour R. Cray, in Colorado Springs, Colorado, the company has a second supercomputer design effort called the C-90. This machine is a direct follow-on to Cray's successful Y-MP line, currently the world's fastest supercomputer.

Cray is reportedly concerned about Japanese competition.

But Japan told Washington last week that it plans to purchase eight U.S.-made supercomputers, as a

sign of willingness to import American products, for government agencies and public universities.

In addition, Cray is uncertain about its ability to finance two separate supercomputer designs, which could each cost more than \$50 million a year. In September 1987, Cray canceled a third project led by the well-known computer designer Steve S. Chen. Mr. Chen has since formed his own company and received backing from International Business Machines Corp.

Several computer scientists have suggested that the C-90 is less of a gamble for Cray because it is not being designed with gallium-arsenide chips and it is based on an already proven computer architecture.

Part of Cray's problem is that its revenue and earnings growth slowed last year. The company had revenue of \$756.3 million in 1988, up only 10 percent, while earnings increased only 6 percent, to about \$157 million.

Ogilvy Deal With WPP Looks Likely

New York Times Service

NEW YORK — WPP Group PLC appears to be close to an agreement to buy Ogilvy Group Inc. in a deal that would create the world's second-largest advertising and marketing company.

WPP, a London-based company, and Ogilvy have confirmed they were formally discussing WPP's offer. A spokesman for WPP, who asked not to be identified, said a deal was likely.

"It's not at the point where they are saying, 'Let's let the lawyers draw up the papers,' but it's probably close to that," the spokesman said.

A representative of Ogilvy refused to comment on whether a deal was imminent. Yet disclosure that the two sides are talking "means it's a done deal," said an industry executive who had discussed the takeover fight with both WPP and Ogilvy officials.

A public announcement about the negotiations could come at Ogilvy's annual meeting Tuesday in Manhattan.

The WPP spokesman said the two sides would "probably agree to a price of between \$50 and \$55 per share." Richard Dale, an advertising analyst with James Capel & Co. in London, speculated that a deal would eventually be struck at \$52 or \$53 a share. This would make the price for Ogilvy about \$830 million.

Central Banks' Defeat Sets Stage for Firm Dollar

By Carl Gewirtz
International Herald Tribune

PARIS — The dollar is set for continued strong gains on foreign-exchange markets, traders and analysts believe, after central banks fought and lost an important battle Friday to depress the currency.

While analysts dispute whether the current strength can carry the dollar beyond 2 Deutsche marks, they agree that Friday's experience will force central banks to reshape their tactics for dealing with the dollar's strength.

In all likelihood, the analysts say, officials will at least temporarily tolerate a higher trading range for the dollar, and will rely less on intervention and more on manipulating interest rates in their attempts to steer the dollar into the desired trading range.

The central banks' failure to win Friday's battle stunned market professionals. After four rounds of concerted intervention, which had only a transitory effect on depressing the dollar, the currency surged to new highs for the year, ending at 1.9205 Deutsche marks and 136.15 yen in New York.

Jim O'Neill, international economist at Swiss Bank Corp. in London, said the central banks had "lost some of their credibility."

There was considerable support for the view expressed by Simon Crane, a London-based analyst, who said Friday's experience showed that the officials had "lost touch" with the foreign-exchange market and the "overwhelming underlying strength of the dollar."

While not ruling out possible minor bouts of profit-taking this week, analysts express certainty that the dollar will climb at least to the mid-1.90s against the mark. Roland Schaff, treasurer of Hessische Landesbank in Frankfurt, said he sees the dollar comfortably above 2 DM within the next six weeks, as West Germans begin buying foreign currency for their summer holidays. Last year, West Germans spent 44 billion DM on foreign travel, making the summer months a period of seasonal weakness for the mark.

Even before Friday's loss of face, central banks were already perceived to be modifying their strategy when, last Monday, they refrained from intervening when the dollar climbed above 1.90 DM. That level is widely regarded as the upper limit set for the currency at a February 1987 meeting of leading industrialized nations.

The lack of intervention early last week, coupled with comments from West German officials who appeared to sanction the increase, was widely interpreted as baiting a trap. Traders said the officials were encouraging the dollar to rise, to get too strong and then, when the exchange rate seems most vulnerable to attack by central banks, would intervene to drive it down.

Early Friday, the dollar briefly touched 1.92 DM and began to fall when Washington reported that U.S. wholesale prices rose only 0.4 percent in April, about half as fast as markets had expected.

Traders obviously expected that the news

See JAPAN, Page 9

Currency Rates

| Cross Rates | May 12 |
|---------------------|--------|
| Amsterdam | 2.3405 |
| Frankfurt | 2.3605 |
| London (sterling) | 1.9205 |
| Paris (franc) | 163.33 |
| Switzerland (franc) | 1.4850 |
| West Germany (mark) | 1.9205 |
| Yokohama (yen) | 136.15 |
| 1 DM | 1.9205 |
| 1 SF | 1.4850 |
| 1 Yen | 7.3560 |

Changin in London, Tokyo and Zurich, futures in other centers, New York closing rates.
a. Commercial rates; b. To buy one pound; c. To buy one dollar; d. Units of 100; e.g., 1.9205 = 192.05.
Source: Reuters, May 12, 1989.

| Other Dollar Values | May 12 |
|---------------------|--------|
| Australia | 1.5200 |
| Canada | 0.7500 |
| Denmark | 6.4600 |
| France | 163.33 |
| Germany | 1.9205 |
| Italy | 2.3605 |
| Japan | 136.15 |
| Netherlands | 2.3405 |
| Sweden | 6.4600 |
| Switzerland | 1.4850 |
| U.K. | 1.9205 |
| U.S. | 1.0000 |

New York rates (local time) (local time)

| Forward Rates | 30-day | 60-day | 90-day | 180-day |
|---------------------|--------|--------|--------|---------|
| London (sterling) | 1.9205 | 1.9205 | 1.9205 | 1.9205 |
| Paris (franc) | 163.33 | 163.33 | 163.33 | 163.33 |
| Switzerland (franc) | 1.4850 | 1.4850 | 1.4850 | 1.4850 |
| West Germany (mark) | 1.9205 | 1.9205 | 1.9205 | 1.9205 |
| Yokohama (yen) | 136.15 | 136.15 | 136.15 | 136.15 |

Sources: International Bank (London); Bank of America (New York); Bank of Tokyo (Tokyo); Bank of France (Paris); Bank of Japan (Tokyo); Bank of Spain (Madrid); Bank of Italy (Rome); Bank of Portugal (Lisbon); Bank of Greece (Athens); Bank of Belgium (Brussels); Bank of Luxembourg (Luxembourg); Bank of Netherlands (Amsterdam); Bank of Sweden (Stockholm); Bank of Norway (Oslo); Bank of Denmark (Copenhagen); Bank of Finland (Helsinki); Bank of Iceland (Reykjavik); Bank of Ireland (Dublin); Bank of Portugal (Lisbon); Bank of Greece (Athens); Bank of Belgium (Brussels); Bank of Luxembourg (Luxembourg); Bank of Netherlands (Amsterdam); Bank of Sweden (Stockholm); Bank of Norway (Oslo); Bank of Denmark (Copenhagen); Bank of Finland (Helsinki); Bank of Iceland (Reykjavik); Bank of Ireland (Dublin).

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GESTNORD

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Il presente comunicato ha formato oggetto di preventiva informazione alla CONSOB.

Last Week's Markets

| Stock Indices | May 12 | May 5 | Chg% |
|---------------|----------|----------|-------|
| DJ Indus. | 2,429.70 | 2,381.06 | +2.02 |
| DJ Indus. | 794.01 | 792.84 | +0.14 |
| DJ Trans. | 1,133.75 | 1,129.45 | +0.38 |
| S & P 500 | 327.15 | 327.15 | +0.00 |
| S & P 500 | 313.04 | 307.61 | +1.80 |
| S & P 500 | 300.89 | 294.16 | +2.28 |
| NYSE | 175.12 | 172.14 | +1.74 |

| Money Rates | May 12 | May 5 | Chg% |
|---------------------|--------|-------|------|
| 3-month T-bill | 7.80 | 7.80 | 0.00 |
| 6-month T-bill | 9.12 | 9.12 | 0.00 |
| 1-year T-bill | 11.15 | 11.15 | 0.00 |
| 3-month Eurodollar | 6.75 | 6.75 | 0.00 |
| 6-month Eurodollar | 7.25 | 7.25 | 0.00 |
| 1-year Eurodollar | 8.25 | 8.25 | 0.00 |
| 3-month London bank | 6.75 | 6.75 | 0.00 |
| 6-month London bank | 7.25 | 7.25 | 0.00 |
| 1-year London bank | 8.25 | 8.25 | 0.00 |
| 3-month Swiss bank | 6.75 | 6.75 | 0.00 |
| 6-month Swiss bank | 7.25 | 7.25 | 0.00 |
| 1-year Swiss bank | 8.25 | 8.25 | 0.00 |

World Index from Morgan Stanley Capital Int'l.

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\$ 20,000
JANUARY 1st 1989

HAS BECOME

\$ 15,490
May 1st, 1989

AFTER ALL COMMISSIONS

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is closed to new investors

PERFORMANCE RESULT
FOR BEGINNING EQUITY OF

\$ 20,000
JANUARY 1st 1989

HAS BECOME

\$ 12,213
May 1st, 1989

AFTER ALL COMMISSIONS

NEXT RESULT IN JUNE 1989, 1989 ISSUE
THERE IS NO MANAGEMENT FEE
PAST PERFORMANCE IS
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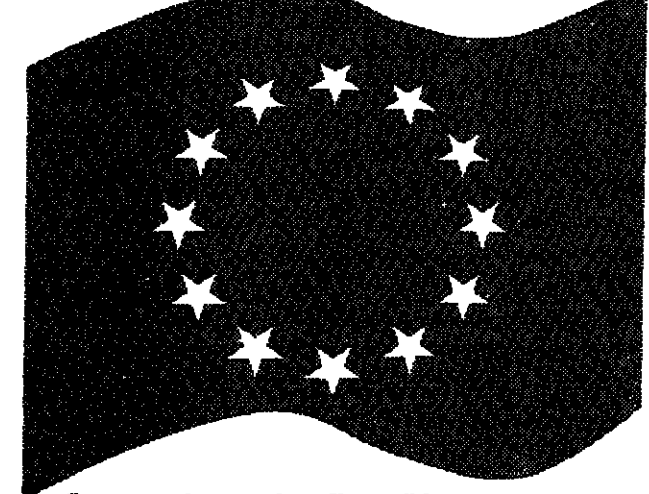
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is pleased to announce the opening of its European Community law office in Brussels.

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From 1st July 1989 this office will be the European Community law office of the merged firm, Taylor Joynson Garrett.

For further information about the firm and the EC Competition and Trade Law Group, please contact John Grayston in Brussels or Martin Baker at our London office.

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OTC Consolidated trading for week ended Friday.

OTC Consolidated trading for week ended Friday. May 12

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(Continued on next page)

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MONDAY SPORTS

A Purist's Stanley Cup

At Last, a Showdown of Best NHL Teams

By Robin Finn

New York Times Service

CALGARY, Alberta — The unsentimental playoff format of the National Hockey League, often a vehicle used by Cinderella squads to cling to contention until the championship round, was not fooled by pretenders this spring.

Instead, in a change welcomed by hockey purists and by the participants themselves, the Stanley Cup final scheduled to open here Sunday night is admitting the two best teams in the league and guaranteeing an ultimate showdown.

"I think it's only fair that the two best teams in the league have gotten to the final, and I can't remember the last time it happened this way," said Mats Naslund of the Montreal Canadiens.

The last time the Calgary Flames and the Canadiens met in the championship round was 1986, the year the Flames worked themselves to an emotional fizzle in eliminating the powerhouse Edmonton Oilers and were barely ranked in five games to the sixth-ranked Canadiens, who were not even expected to make the final.

But this year, both teams were designated challengers for the championship.

"When we won last time it came as a big surprise," Naslund said. "We were younger and so were the Flames. I don't see any surprises this time, and I think that will make it a hard series to play."

The Flames finished the regular season in first place overall, thanks to a ferocious power play, virtuous goal-scoring and a mean defense. The Canadiens finished in second place, thanks to the same dogged defensive play they used to smother all comers in the playoffs.

There is not much that separates the teams, which is why each has managed to be one of the few visi-

tors to win a game in the other's arena during the regular season, where both lost just four times all season.

"The buildings don't matter," said Brian Skrudland of Montreal. "Our defense can make their offense not matter. I really don't think there's much that separates us. We want the Stanley Cup because it's the only way we can end up doing something better than being the second-place team of both seasons, regular and playoffs. They

I think it's only fair that the two best teams in the league have gotten to the final, and I can't remember the last time it happened this way.

Mats Naslund of the Canadiens.

want to show they're the first-place team both times around."

The two conference champions even reached the final in similar ways. Their route included one series sweep, one five-game round and one trying round. That happened in the opening round for the Flames, who almost got surprised by the pugnacious Vancouver Canucks in a seven-game series. And it happened in the last round for Montreal, which fell behind in a series for the first time this spring when the visiting Philadelphia Flyers outworked them in the first game, but the Canadiens managed to prevail in six games.

The teams' playoff records are nearly identical: 12-4 for Calgary and 12-3 for Montreal. Each club lost twice at home, but Montreal, the more practiced club, may have a slight advantage on the road, where the Canadiens are 6-1 and their goalie Patrick Roy is undefeated.

The Flames have the edge on virtuosic goal-scoring with Joe Mullen, Joe Nieuwendyk and Hakan Loob, but because the Canadiens seldom make the mistakes that create offensive opportunities for their opponent, this edge could be rendered moot. Should the Canadiens silence the sticks of the towering forwards, Jim Peplinski and Joel Otto, the way they thwarted Philadelphia's Tim Kerr, the fourth-ranked Calgary power play will be a non-factor.

If the Canadiens put up their usual wall of defense around Roy, then even the punishing slap shot of the defenseman Al MacInnis, who is third in playoff scoring with 23 points, may not prove so consequential as in previous rounds.

Not only do the Canadiens avoid taking penalties (54 playoff man-power shortages to Calgary's 93), but they also make scrupulous amends by killing them off whenever they do.

The Flyers, who had the best playoff power play entering the conference final, emerged with an embarrassing 0-for-24 blight after meeting up with Montreal's specialists.

Goalending in the series features a rematch of Roy and Mike Vernon. Both goalies were rookies and Roy was named the playoff most valuable player the last time the clubs duelled in a final.

Vernon (12-3) has three playoff shutouts, while Roy (11-2) has two. Both have shown steady composure this season and both get plenty of help from a devoted defense programmed to eliminate rebounds.

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YIVING FOR A WORLD CUP BERTH — Steve Trittschuh of the United States got a mouthful of elbow as he and Maurice Allby of Trinidad and Tobago jostled for the soccer ball during a World Cup qualifying match on Saturday in Torrance, California. The game ended in a tie, 1-1.

Sabatini Awakens To Subdue Sanchez As Romans Swoon

By Bud Collins

Special to the Herald Tribune

ROME — Not many, if any, banners were raised on behalf of female tennis players in this town. Not until Gabriela Sabatini.

Although women's tennis is an acquired taste that excites not a whole lot of Romans, life has improved here for the ladies of the circuit.

They are no longer shoved out of sight — to back courts and morning hours, as happened to Billie Jean King and Chris Evert — at the Italian Open. In fact, after the tournament was exiled from Rome to Perugia and Taranto, prior to abandonment altogether in 1986, it made a strong comeback two years ago here at Il Foro Italico.

It was then that Sabatini appeared, winning a lot of hearts and minds although she lost the title match to Steffi Graf. Last year, the Argentine won, her first important international championship. She kept the title Sunday, but only after a rugged, 2-hour, 40-minute struggle with 17-year-old Arantxa Sanchez of Spain, 6-2, 5-7, 6-4.

Thus the return a week ago of the coltish Sabatini, who turns 19 on Tuesday, was the occasion for something new at the marble amphitheater — banners proclaiming love and support for the Pearl of the Pampos.

One of the them — "Gaby: Facci Sognare" — was a remake of the national plea to Italy's 1982 World Cup-winning soccer team: Facci Sognare, or Make dreams for us.

Sabatini was the crowd's dream girl, but she took the rallying cry too literally. She tried to dream herself through the tournament,

waking up only when it appeared that she would score her way out of her crown.

She could understand why. The Open suffered severe talent drain in the withdrawal of Martina Navratilova, five-time champion Chris Evert and 15-year-old Monica Seles. Evert's final-round opponent at Houston.

Suddenly, it was Sabatini leading a battalion of the Foreign Legion. "They wanted to beat me more than I wanted to beat them," she explained. "I can't get motivated when I don't play the top players."

Her parade to the Italian title ran over 81st-ranked Laura Golaras, 92nd Raffaella Reggi, 31st Bettina Fulco — all Italians — and 11th Sanchez.

The only times Sabatini gleamed conversationally were in discussions of getting at Graf this week in Berlin and, after that, at the French Open.

"Steffi is the one I want to play. I used to be like the players I played here — nothing to lose against the top players," she said.

Sabatini is one-for-three against Graf this season. She has suffered two other match defeats, to Terry Phelps of the United States and Conchita Martinez of Spain. That suggests she dreams a lot.

Although Sabatini was unimpressive in the battle of looping groundstrokes against the peppery Sanchez, and failed to serve out the match at 5-3 in both the second and third sets.

"I started playing too short when I was up 5-3," Sabatini said. "Maybe I was in too much of a hurry to win and I got a little tired."

But at the end, she heard the alarm clock. Abruptly, she began to attack and win.

Sabatini had awakened.

Sanchez Emboldened

Arantxa Sanchez is getting impatient with her role as lady-in-waiting, according to news agencies reporting from Rome.

Though she is still only 17, it is nearly a year since she dealt a blow to the old guard of tennis by beating Evert, twice her age, in the third round of the French Open.

Since then Sanchez has sharpened her game and her mental attitude and improved her world ranking from 18th at the end of last year to 11th.

The time has come, Sanchez says, to think of joining fellow-teenagers Graf and Sabatini on the top steps of the world list.

"I think I have a chance to get into the top three because my game is much better. I feel perfect and I have the right mental attitude to do it," Sanchez says.

"I am ready to go to the French Open and play much better than last year," she said.

Sanchez started the year with a three-month break from competition during which she concentrated on physical training.

After her loss Sunday, she showed no disappointment.

"I played a great match today," said the Spaniard, who is expected to break into the top 10 in the next world rankings. "I just need to get some more experience to win the big points. The next time I play Sabatini, I think I can beat her."

SIDELINES

Chavez Wins WBC Crown

INGLEWOOD, California (AP) — Julio Cesar Chavez of Mexico won the World Boxing Council super-lightweight title on Saturday night with a 10th-round technical knockout of Roger Mayweather of the United States, who told the referee he could not finish the scheduled 12 rounds because of stomach cramps.

The victory gave Chavez a 63-0 record with 53 knockouts. He now has three world titles: the WBC lightweight and super-lightweight crowns and the World Boxing Association lightweight title.

Lewis Wins Tokyo Race

TOKYO (AP) — Carl Lewis and Joe DeLoach of the United States won separate 100-meter races in an international meet here Sunday, with Lewis faster by 0.08 seconds, while Evelyn Ashford, another American, edged Nelli Cooman of the Netherlands by 0.03 seconds in the women's event.

Lewis, the 1988 Olympic gold medalist, won his eighth-man group in 10.39 seconds, while DeLoach, who won the 200 meters at the Seoul Olympics, won his in 10.47. Ashford, the 1988 Olympic silver medalist, won the women's race in 11.34.

Ozaki: 4 Japan Golf Titles

TOKYO (AP) — Masashi (Jumbo) Ozaki beat Hiroshi Makino over 36 holes on Sunday to win the Japan PGA Match Play Championship, the only major Japanese title that had eluded him in his 19-year career. Ozaki went 6-up with a par on the par-five 18th hole, and Makino was unable to catch up despite taking the 20th, 23d, 24th and 32d holes. Ozaki, 42, now has won the four major golf titles in Japan: the Japan Open, Japan Pro, Japan Series and Japan Match Play.

Lendl vs. Skoff in Hamburg

HAMBURG (AP) — Ivan Lendl defeated Carl-Uwe Steeb of West Germany, 4-6, 6-3, 6-1, on Sunday to advance to the final of the German Open tennis tournament against Horst Skoff of Austria, who upset Boris Becker of West Germany, 7-6 (7-5), 6-2.

The final is scheduled for Monday. Heavy rain on Saturday stopped the semifinal between Lendl and Steeb and delayed the Becker-Skoff match. Tournament organizers said the final would be shortened to a best-of-three-sets match because of the delays.

For the Record

John McEnroe withdrew from the Italian Open tennis tournament, which is to begin next week in Rome, because of an injury suffered during an exhibition match Friday in the Netherlands, the organizers announced.

Phil Anderson of Australia won cycling's Tour de Romandie on Sunday in Geneva. He had led since Wednesday, when he won the first of the race's five stages.

England routed Romania, 58-3, in a rugby match in Bucharest on Saturday, scoring nine tries and amassing the biggest English victory margin in the history of international rugby.

The U.S. East college basketball all-stars, led by DePaul's Terrence Greene, won the Japan Classic championship Sunday, 93-83, over the West in Tokyo. Greene went 7-for-8 from the foul line and scored 21 points. The tournament was formerly the Aloha Classic, held in Honolulu.

Alberto Contador of Colombia won the next-to-last leg of the 44th cycling Tour of Spain on Sunday, while Pedro Delgado of Spain, 22 seconds behind the winner, virtually clinched the overall title.

NCAA Basketball Inquiry Forces Maryland Coach Out

By Amy Goldstein

Washington Post Service

COLLEGE PARK, Maryland — Coach Bob Wade of the University of Maryland, summoned to College Park 2½ years ago to cleanse a scandal-tainted basketball program after the cocaine-induced death of Len Bias, has resigned amid allegations that he broke National Collegiate Athletic Association rules.

The university president, William E. Kirwan, said Friday that Wade had agreed to a \$120,000 cash settlement in exchange for his resignation.

Wade is being investigated by the university and the NCAA for several possible violations concerning his truthfulness and dealings with players and recruits.

After the death of Bias in June 1986, the school's basketball scandal spread with revelations that some players were failing their classes. Eventually, the coach and athletic director, Charles G. "Lefty" Driesell, resigned.

In addition to the cash payment to Wade, the settlement calls for a university foundation to buy his house near campus and to pay \$5,000 toward moving expenses.

He was unavailable for comment.

For Maryland, eager to stabilize its tarnished basketball program, Wade represented a strong disciplinarian who emphasized academics when he came to the college from Dumbor High School in Baltimore.

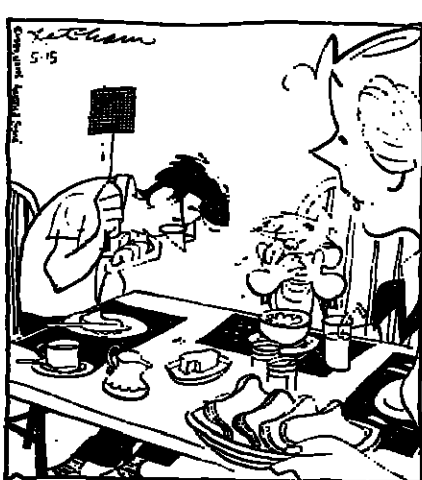
By Friday, top campus administrators acknowledged that Wade, through his own problems with the NCAA, had prolonged the school's athletic troubles, rather than erasing them.

"Everybody wanted him to be a winner," said A.H. Edwards, vice president for institutional advancement. "It's too bad it did not happen that way."

According to sources, university officials believe investigators have concluded that Wade gave improper rides to class to former Terrapins' guard Rudy Archer, and that Wade misstated his role to investigators afterward. Sources also say investigators believe that, with Wade's knowledge or help, players accumulated frequent flyer bonus points from airline tickets purchased by the athletic department and received small sums of cash on occasion.

Friday, Kirwan would not comment on these allegations.

DENNIS THE MENACE



"DAD JUST SWATTED A BLUEBERRY!"

JUMBLE

Unscramble these letters to form four ordinary words.

VAOBE

ARBIN

LEWOLF

FLUTAR

Answer: A

(Answers tomorrow)

Saturday: Jumble: FIFTY, GEORGE, ENCORE, ARCTIC

Answer: Helped out people who want to do the "RE-TIME"

The Global Newspaper.

Answer: Helped out people who want to do the "RE-TIME"

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PEANUTS



YOU LOOK KIND OF LONELY SITTING THERE

I GUESS MAYBE I AM...

THERE'S NOTHING MORE LONELY THAN SITTING ON A BENCH ALL BY YOURSELF WITHOUT A DOUGHNUT.

WOODSTOCK

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ANDY CAPP



I HAVE TO MAKE ALLOWANCES - HE DIDN'T HAVE A HAPPY CHILDHOOD.

MIND YOU, HE'S CERTAINLY HAD A LONG ONE.

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MONDAY SPORTS

Hershiser Pitches A 2-Hitter as L.A. Shuts Out Phillies

The Associated Press

Orel Hershiser pitched a two-hitter and Eddie Murray homered twice to drive in five runs Sunday as the Los Angeles Dodgers broke a 25-inning scoreless streak and beat the Philadelphia Phillies, 9-0, in Philadelphia.

Hershiser gave up a third-inning single to Ricky Jordan and an

SUNDAY BASEBALL

eight-inning double to Steve Jeltz. Hershiser struck out seven and walked four as he pitched his second shutout and complete game this season. It was the 21st shutout of his career.

Murray, who has six homers this season, entered the game with one hit in his previous 18 at-bats.

Los Angeles had not scored in a week and had not batted in 66 innings when Jeff Hamilton hit his first home run of the season in the second inning for a 1-0 lead.

Los Angeles batted around in the fourth to chase Alex Madrid, who allowed five hits and five runs in 3 1/3 innings.

Expos 4, Giants 3: In Montreal, Dennis Martinez pitched five-hit ball for eight innings and Andres Galarraga and Tim Lincecum hit run-scoring doubles to help defeat San Francisco.

Candy Maldonado hit his first two home runs of the season for the Giants, who lost for the third time in nine games.

Braves 5, Pirates 2: In Pittsburgh, John Smoltz allowed four hits in seven innings to win for the fifth time in six decisions as Atlanta beat the Pirates.

Ron Gant hit a two-run single and Andres Thomas homered for the Braves, who won for the eighth time in 10 games.

Smoltz struck out five and walked six. He has allowed only 16 hits in his last 25 innings.

Astros 5, Cubs 1: In Chicago, Mike Scott pitched a four-hitter for his 100th career victory, winning for the fifth time in six starts as Houston completed a three-game sweep of the Cubs.

Scott struck out six, walked none and allowed an unearned run in his third complete game this season.

Mets 2, Padres 1: In New York, Luis Salazar's error on Mark Karpis' grounder to shortstop in the ninth inning allowed Len Dykstra to score, giving the Mets a victory over San Diego.

Roger McDowell, the third pitcher used by the Mets, threw one inning for the victory.

Indians 8, Tigers 3: In Cleveland, Tom Candiotti allowed eight hits in 8 1/3 innings and Raul O'Brien pitched in three runs with a homer and a double as the Cleveland Indians beat the Detroit Tigers, 8-3, in an American League game.

The Tigers have lost nine of their last 12 games and have scored a league-low 114 runs in 34 games.

Twins 13, Blue Jays 1: In Minneapolis, Frank Viola tied a career-high mark with 11 strikeouts and Kirby Puckett equaled a major-league record for doubles in consecutive games with six as Minnesota trounced Toronto.

Viola allowed three hits and walked one in eight innings as the Twins won their fifth straight. Viola had struck out 11 twice before in

his career, the last time on Aug. 8, 1987, against Oakland.

Puckett, who had four doubles on Saturday, added two more Sunday to tie a record set by 12 players. It was last accomplished by Hank Majacki of the Philadelphia Athletics in 1948.

White Sox 5, Orioles 5: In Baltimore, Ivan Calderon, Fred Manrique and Ron Kittle each hit two-run homers, leading Chicago past the Orioles.

Each of Chicago's season-high three homers came with the White Sox trailing by a run as they won for the fourth time in five games on their current road trip.

Steve Rosenberg, Chicago's third pitcher, won his first major league game.

Puckett's 4 Doubles Lead Twins Over Blue Jays

The Associated Press

Kirby Puckett gave the Toronto Blue Jays double trouble on Saturday, hitting two doubles and driving in three runs and John Moses drove in two runs.

Shane Bieber pitched 6 1/3 innings and Jeff Reardon got his seventh save.

Indians 3, Tigers 1: In Cleveland, Greg Swindell pitched a six-hitter for his first complete game and Oddie McDowell drove in one run and scored another.

Swindell struck out eight and walked none to end Cleveland's three-game losing streak. Detroit lost for the eighth time in 11 games.

Angels 6, Yankees 1: In Anaheim, California, Mike Witt pitched a five-hitter and Johnny Ray drove in three runs to help defeat New York. The Angels won for the 12th time in 15 games.

Adrianza 4, Brewers 3: In Oakland, California, Glenn Hubbard and Dave Parker homered and Bob Welch allowed six hits in 8 1/3 innings as Oakland sent Milwaukee to its fourth consecutive loss.

Welch had shut out the Brewers for 23 consecutive innings until Paul Molitor doubled in the ninth

during a six-run fifth inning. Greg Gagne, batting ninth in the Minnesota lineup, had three hits and drove in three runs and John Moses drove in two runs.

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and Rob Deer hit a two-run homer, his eighth home run this season.

Royals 4, Rangers 1: In Kansas City, Missouri, Kevin Seitzer hit his first career inside-the-park home run and Luis de Santos drove in two runs to lead the Royals past the Rangers.

White Sox 5, Orioles 5: In Baltimore, Eric King won his fourth consecutive decision and Greg Walker, reactivated earlier in the day, hit a three-run double in the fifth inning for Chicago.

Mariners 14, Red Sox 6: In Seattle, Dave Valle had four hits and scored four runs and Alvin Davis drove in five runs as the Mariners beat Boston.

The Mariners had 16 hits off five Boston pitchers as they scored their most runs since a 14-1 victory over the Red Sox on May 4.

Expos 5, Giants 4: In the National League, in Montreal, Spike Owen led the game with a two-run homer in the seventh inning and then singled home the winning run with two outs in the ninth, ending San Francisco's five-game winning streak.

Browns 1, Cubs 0: In Chicago,

Bob Knepper and two relievers combined on a three-hitter and Gerald Young singled home a run in the eighth inning as Houston shut out the Cubs for their fourth straight loss.

Mets 4, Padres 3: In New York, with two outs in the 11th inning, pinch-hitter Dave Magadan hit bases-loaded single to bring in the winning run against San Diego.

Phillies 2, Dodgers 0: In Philadelphia, Larry McWilliams pitched a five-hitter and Chris James singled home the go-ahead run in the sixth inning as Philadelphia extended the Los Angeles scoreless streak to 24 innings.

Los Angeles has been shut out in four of its last six road games and has lost 8 of its last 10 road games.

Pirates 8, Braves 3: In Pittsburgh, Bob Walk won his third consecutive start and drove in three runs with a pair of singles as Atlanta lost its second straight after winning seven in a row.

Reds 3, Cardinals 2: In St. Louis, Missouri, Jose Rijo, celebrating his 24th birthday, allowed three hits in 6 1/3 innings to win his fourth consecutive start for Cincinnati.

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Jordan Jams 47 as Bulls Put Knicks on the Edge

The Associated Press

The impressive Michael Jordan, groin injury and all, scored 47 points Sunday to lead the Chicago Bulls to a 106-93 victory over the New York Knicks and a 3-1 lead in their best-of-7 NBA playoff series.

The Bulls can wrap it up with a victory in New York Tuesday.

NBA PLAYOFFS

If not, the sixth game will be played in Chicago next Thursday night.

Hobbling at the start with a strained left groin, Jordan kicked his game into high gear in the fourth quarter when he scored 18 of his points.

After Kiki Vandeweghe scored for the Knicks to cut Chicago's lead to 81-79, Jordan scored a basket, added a free throw and then set up Scottie Pippen for another basket and an 86-79 lead.

Jordan then scored eight of Chicago's next 10 points for a 96-90 lead with three minutes to play. And he capped the victory with a three-point play with 1:33 left for a 101-92 margin.

Bill Cartwright scored 21 points for the Bulls, 19 in the first half and two more on free throws with 2:24 left in the game for a 98-92 lead.

Johnny Newman, held scoreless Saturday, led the Knicks with 23 points.

Bulls 111, Knicks 88: In Chicago on Saturday, Michael Jordan scored 40 points, 16 in a pivotal second quarter, leading Chicago to a 2-1 lead in the playoff series. Jordan keyed the second quarter, in which the Bulls stretched a 24-20 lead to 66-46 and left the Knicks gasping.

Patrick Ewing, who led the Knicks with 19 points, scored eight of New York's first 12 points in the second half and helped chop the lead to 83-67 after three quarters.

Charles Oakley opened the fourth period with a basket for New York, but John Paxson and Jordan scored successive baskets to up the lead to 87-69.

Any hopes the Knicks might have had for a late comeback were

sidetracked by Jordan midway in the final period when he scored seven points in a little more than a minute for a 98-76 lead.

Suns 135, Warriors 99: In Oakland, California, on Saturday, Eddie Johnson scored 34 points and led a second-half runaway as Phoenix routed Golden State to take a commanding 3-1 lead in their series.

Johnson hit six 3-pointers, four during a 20-point second quarter and two more in the third, when the Suns broke the game open. Phoenix outscored the Warriors 68-38 in the second half, holding its hosts to 27 percent shooting.

Johnson and Tom Chambers, who finished with 28 points, each had 10 in a third-quarter blitz that saw the Suns stretch a six-point halftime lead to 102-83. The Warriors missed 22 of 30 shots in that stretch.

Kevin Johnson added 19 points, nine rebounds and eight assists as Phoenix won its ninth straight road game.

The Warriors were beaten badly on the boards, 67-42, but trailed just 67-61 at halftime. Then all five Phoenix starters scored as Suns increased the margin to 80-67 in the first 4:18 of the third quarter.

Lakers 91, SuperSonics 86: In Seattle on Friday night, Los Angeles Lakers, with Magic Johnson and Michael Cooper making four free throws each, hit 10 in the final 3:19 to beat take a 3-0 lead over Seattle in their series.

The Lakers were held to three baskets in the fourth quarter, but won with their late free-throw shooting. James Worthy and Byron Scott led the Lakers with 20 and 17 points, respectively, while Johnson



New York's Patrick Ewing pulls down a rebound against Michael Jordan in Saturday's NBA playoff game. Jordan scored 40 points.

contributed 14 assists and 10 points.

Pistons 112, Bucks 92: In Detroit Friday night, Isiah Thomas keyed a third-quarter run and John Salley came off the bench to score 16 points in the final period as Detroit took a 2-0 lead in their series.

The Pistons, leading 75-68 after three quarters, put the game away in the final 12 minutes, as their reserves outscored the Bucks' 32-7.

Salley finished with 23 points and another reserve, Vinnie Johnson, had 21.

The score was tied at 49 at halftime and the third quarter opened with fierce defensive action at both ends of the court, resulting in two steals and three successive blocked shots between Rick Mahorn's three-point play with 9:53 remaining and a jumper by Thomas that put the Pistons ahead 58-53 with 7:44 left in the period.

With seven points from Thomas and five by Mahorn, Detroit began the half with a 13-run that put the Pistons ahead 62-55 with 5:41 remaining.

Brand Wins Belgian Golf By 4 Shots

BRUSSELS — Gordon J. Brand of Britain ended a 13-year wait for success on the European golf tour with a four-shot victory in the Belgian Open at Royal Waterloo on Sunday.

He carded a 69 to return with a 15-under-par 273, four ahead of his compatriot Kevin Dickson, with whom he shared the overnight lead.

Another Briton, Mark Davis, shot 67 for third place at 278, one ahead of Jesper Parnevik of Sweden.

Brand has won six times in Africa and finished second five times in Europe.

He was runner-up to Greg Norman of Australia in the 1986 Open Championship at Turnberry and said: "That convinced me I was good enough to win. I faded under pressure there but this time I kept my nerve and was never in trouble."

Brand won \$54,780, increasing his season's winnings to almost \$104,580 and moving into fifth place on the European money list.

Brand went out in 33 to Dickson's 37 and was always in command. Dickson, who has missed five successive cuts in Europe, won \$36,520.

Fuzzy Zoeller chipped into the 18th hole on Saturday for a birdie three to maintain his lead by one stroke over Bob Tway going into the final round Sunday of the 14th annual Memorial Tournament at the Muirfield Village Golf Club course, The New York Times reported from Dublin, Ohio.

Leading by one shot after the first round and then by five shots after the second, Zoeller fell back to trail Tway by a shot for the time it takes to play one hole. But Zoeller got back even with a birdie on No. 15 and then made the exciting final birdie to finish with par 72 for nine-under 207 through 34 holes.

Tway has not won on the PGA Tour since blasting into the final hole of the 1986 PGA Championship to beat Norman. But the 30-year-old Oklahoman charged into the lead for a short time Saturday, going in front with a 6-foot (1.8 meter) birdie putt on the 14th hole.

Then he finished with five successive pars for four-under 68 and 208 for three rounds.

ILLINOIS — Sold that Nick Anderson, forward, will enter NBA draft and not return for senior year of eligibility.

NORTH TEXAS — Named Corey Johnson, football coach and athletic director.

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SCOREBOARD

BASEBALL

Major League Standings

(Through Saturday)

AMERICAN LEAGUE

East Division

| Team | W | L | Pct. | GB |
|-----------|----|----|------|-------|
| Boston | 17 | 14 | .550 | — |
| New York | 16 | 15 | .515 | 1 1/2 |
| Cleveland | 14 | 17 | .450 | 3 1/2 |
| Baltimore | 15 | 18 | .450 | 3 1/2 |
| Minnesota | 14 | 19 | .424 | 4 1/2 |
| Toronto | 12 | 23 | .343 | 8 1/2 |
| Detroit | 11 | 23 | .323 | 9 1/2 |

West Division

| Team | W | L | Pct. | GB |
|-------------|----|----|------|-------|
| Oakland | 24 | 11 | .686 | — |
| Los Angeles | 20 | 15 | .571 | 4 1/2 |
| Kansas City | 22 | 13 | .629 | 2 1/2 |
| Texas | 20 | 14 | .588 | 3 1/2 |
| Seattle | 19 | 18 | .514 | 4 1/2 |
| Minnesota | 15 | 20 | .429 | 8 1/2 |

NATIONAL LEAGUE

East Division

| Team | W | L | Pct. | GB |
|--------------|----|----|------|-------|
| New York | 14 | 14 | .500 | — |
| San Diego | 16 | 12 | .571 | 2 1/2 |
| Montreal | 19 | 13 | .591 | 1 1/2 |
| Chicago | 17 | 17 | .500 | 2 1/2 |
| Philadelphia | 14 | 19 | .424 | 5 1/2 |

West Division

| Team | W | L | Pct. | GB |
|---------------|----|----|------|-------|
| St. Louis | 19 | 15 | .559 | — |
| San Francisco | 19 | 14 | .571 | 1 1/2 |
| San Diego | 18 | 15 | .545 | 2 1/2 |
| Atlanta | 17 | 17 | .500 | 3 1/2 |
| Houston | 16 | 19 | .455 | 5 1/2 |
| Los Angeles | 15 | 18 | .455 | 6 1/2 |

Friday's Results

AMERICAN LEAGUE

East Division

| Team | W | L |
|-----------|---|---|
| Boston | 1 | 0 |
| New York | 0 | 1 |
| Cleveland | 1 | 0 |
| Baltimore | 1 | 0 |
| Minnesota | 1 | 0 |
| Toronto | 0 | 1 |
| Detroit | 0 | 1 |

West Division

| Team | W | L |
|-------------|---|---|
| Oakland | 1 | 0 |
| Los Angeles | 1 | 0 |
| Kansas City | 1 | 0 |
| Texas | 1 | 0 |
| Seattle | 1 | 0 |
| Minnesota | 0 | 1 |

NATIONAL LEAGUE

East Division

| Team | W | L |
|--------------|---|---|
| New York | 1 | 0 |
| San Diego | 1 | 0 |
| Montreal | 1 | 0 |
| Chicago | 1 | 0 |
| Philadelphia | 1 | 0 |

West Division

| Team | W | L |
|---------------|---|---|
| St. Louis | 1 | 0 |
| San Francisco | 1 | 0 |
| San Diego | 1 | 0 |
| Atlanta | 1 | 0 |
| Houston | 1 | 0 |
| Los Angeles | 0 | 1 |

BASKETBALL</

